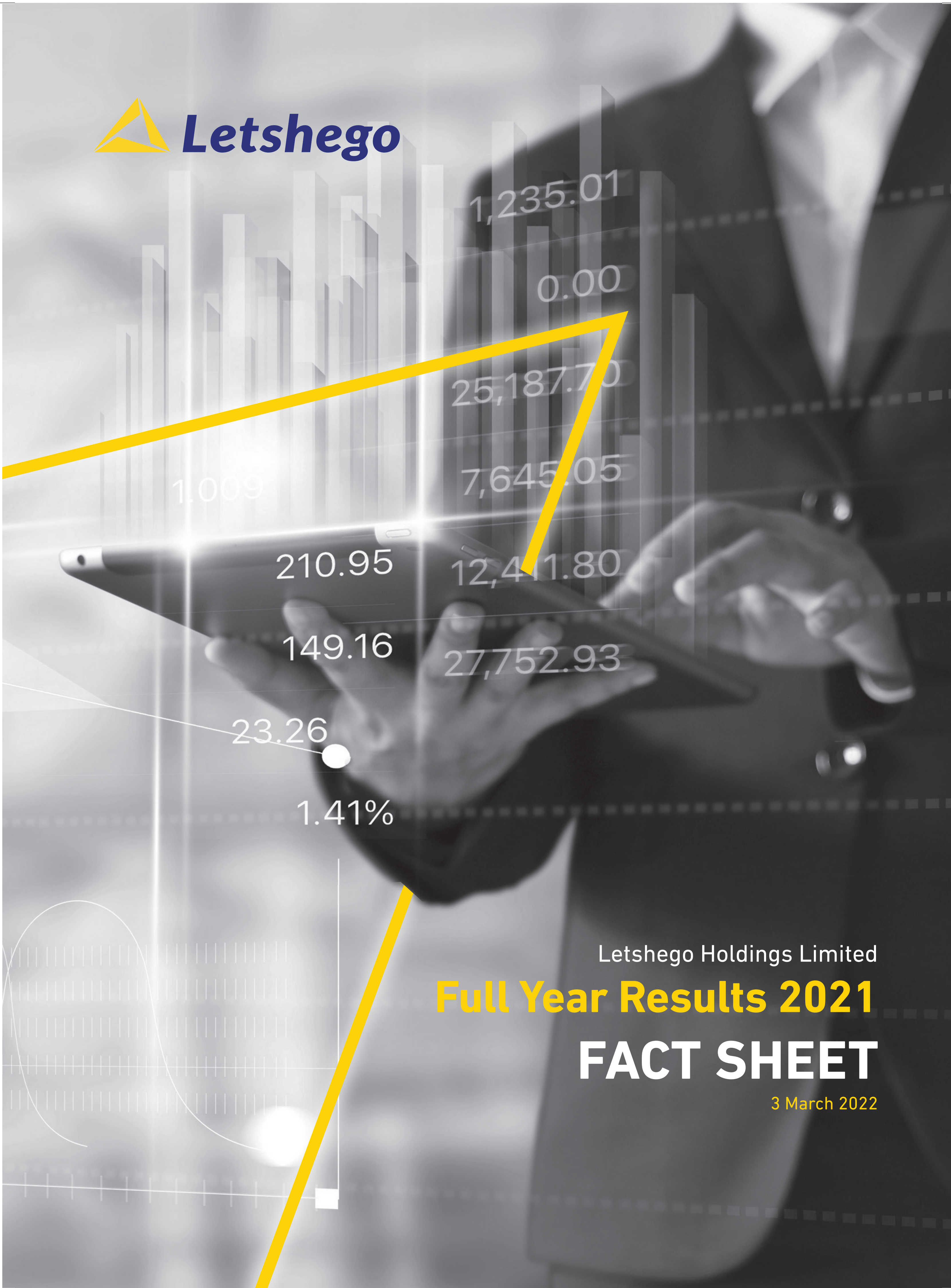


Letshego Holdings Limited

Full Year Results 2021

FACT SHEET

3 March 2022

HIGHLIGHTS

FINANCIAL HIGHLIGHTS

PROFIT BEFORE TAX (PBT)

UP 11%
yoy to
P1.15 billion
(FY 2020: P1.03 billion)

PROFIT AFTER TAX (PAT)

UP 16%
yoy to
P730 million
(FY 2020: P631 million)

NET INTEREST INCOME

UP 6%
to
P1.98 billion
(FY 2020: P1.86 billion)

NON-FUNDED INCOME

increased by **30%**
yoy to
P368 million
and grew to constitute 16% of Operating Income (FY2020: P284 million, 13% of Operating Income)

TOTAL ASSETS

increased by **30%**
yoy to
P15.8 billion
(FY 2020: P12.2 billion)

PORTFOLIO PERFORMANCE

NET ADVANCES

UP 17%
to
P11.9 billion
(FY 2020: P10.2 billion), while Gross Advances grew by 16% year-on-year

CUSTOMER DEPOSITS

increased by
77%
yoy to
P1.2 billion
(FY 2020: P664 million)

LOAN LOSS RATIO (LLR)

reduced to
-0.1%
(FY 2020: 0.3%) showed continuing loan book quality, and a write back in East Africa

SHAREHOLDER RETURNS

RETURN ON EQUITY (ROE)

increased to
14%
(FY 2021: 13%) and return on assets was maintained at 5% (FY 2020: 5%)

EARNINGS PER SHARE

improved by
16%
at
31.5 thebe
(FY 2020: 27.1 thebe)

ENOS BANDA

Group Chairman

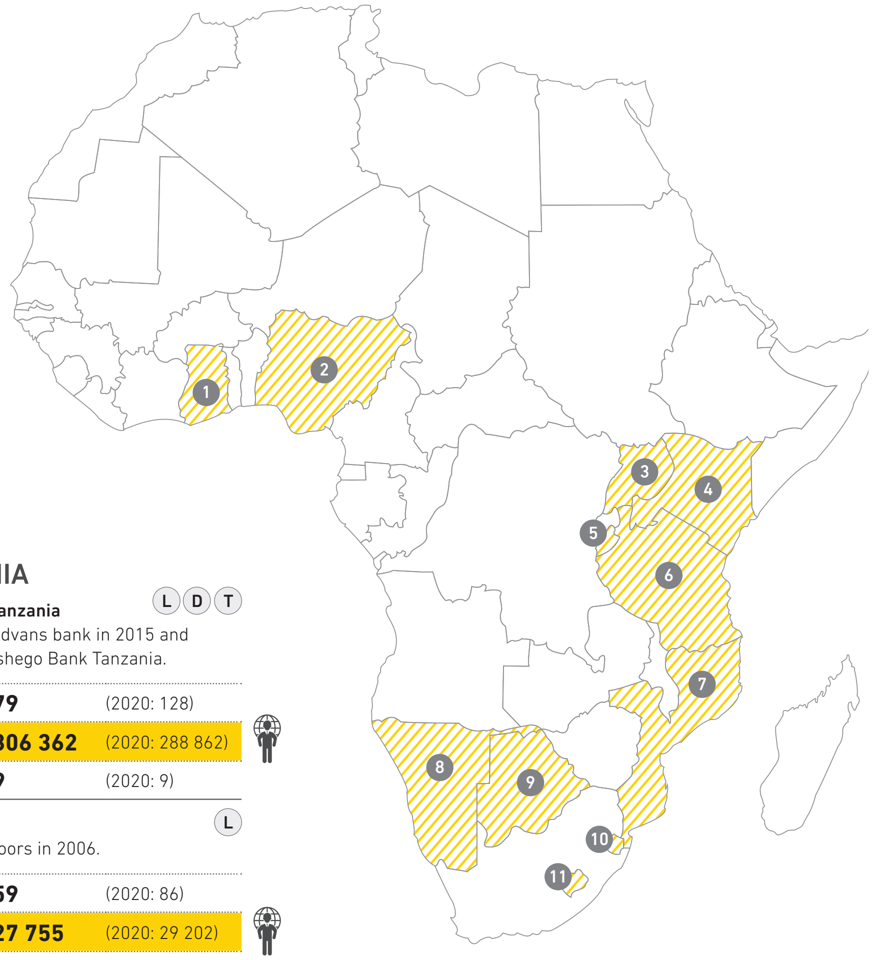
"While Letshego leverages tech and digital advancements to improve our delivery and support for customers across Africa, we are also taking responsible steps to balance the evolution of our operations with the application of solid governance and world-class risk management frameworks. We aim to be a force for good, in structuring and creating solutions that achieve a measurable social impact to more communities, including low cost, low value payments, Affordable Housing and simple Lifestyle Insurance. We are building a **#LetsGoNation** to support Africa's future."

ANDREW FENING OKAI

Group Chief Executive

"Letshego's 2021 performance continued the trend of strong results, delivering double digit growth in both profit before and after tax. We are making exceptional progress in transforming Letshego into a future-fit organisation that leverages digital, tech and end-to-end automation to unlock significant value, not only for our customers, but also for our investors and shareholders. The impact of our Strategic Transformation journey is the creation and nurturing of a community of empowered people – the LetsGoNation – who have the skills and stature to lead and drive Africa's future growth."

OUR FOOTPRINT



1 GHANA

L D T

Opened doors in 2010 as AFB Ghana. Acquired by Letshego Group in 2017.

EMPLOYEES	**185**	(2020: 189)
CUSTOMERS	**4 303 149**	(2020: 3 799 511)
BRANCHES	**26**	(2020: 26)

2 NIGERIA

L D T

Opened doors as FBN Microfinance Bank in March 2008. Acquired by Letshego Group in 2015 and rebranded as Letshego MFB.

EMPLOYEES	**282**	(2020: 281)
CUSTOMERS	**94 712**	(2020: 84 459)
BRANCHES	**22**	(2020: 22)

3 UGANDA

L

Opened doors in 2005 as Micro Provident Uganda. Rebranded to Letshego Uganda Limited in 2011.

EMPLOYEES	**192**	(2020: 251)
CUSTOMERS	**41 645**	(2020: 43 548)
BRANCHES	**44**	(2020: 45)

4 KENYA

L I

Opened doors in 2000 as part of MicroAfrica Group. Acquired by Letshego Group in 2012.

EMPLOYEES	**156**	(2020: 171)
CUSTOMERS	**11 051**	(2020: 12 967)
BRANCHES	**29**	(2020: 29)

5 RWANDA

L D

Opened doors in 2000 as part of MicroAfrica Group. Acquired by Letshego Group in 2012.

EMPLOYEES	**52**	(2020: 50)
CUSTOMERS	**14 462**	(2020: 13 915)
BRANCHES	**4**	(2020: 4)

6 TANZANIA

Letshego Bank Tanzania

L D T

Group acquired Advans bank in 2015 and rebranded to Letshego Bank Tanzania.

EMPLOYEES	**79**	(2020: 128)
CUSTOMERS	**306 362**	(2020: 288 862)
BRANCHES	**9**	(2020: 9)

Faidika

L

Faidika opened doors in 2006.

EMPLOYEES	**59**	(2020: 86)
CUSTOMERS	**27 755**	(2020: 29 202)
BRANCHES	**16**	(2020: 16)

7 MOZAMBIQUE

L D T

Opened doors in 2011. Commercial banking license awarded in 2016.

EMPLOYEES	**169**	(2020: 171)
CUSTOMERS	**318 248**	(2020: 262 314)
BRANCHES	**15**	(2020: 25)

8 NAMIBIA

L D T

Edu Loan Namibia acquired by Letshego Group in 2008 and registered as Letshego Micro Finance Services Ltd. Listed on NSE in 2017.

EMPLOYEES	**157**	(2020: 152)
CUSTOMERS	**95 204**	(2020: 73 702)
BRANCHES	**16**	(2020: 16)

9 BOTSWANA

L

Opened doors in 1998. Listed on the Botswana Stock Exchange in 2002.

EMPLOYEES	**149**	(2020: 148)
CUSTOMERS	**31 154**	(2020: 29 992)
BRANCHES	**15**	(2020: 16)

10 ESWATINI

L

Opened doors in 2006 as Micro Provident Swaziland and rebranded in 2010.

EMPLOYEES	**27**	(2020: 27)
CUSTOMERS	**130 810**	(2020: 114 432)
BRANCHES	**3**	(2020: 3)

10 LESOTHO

L

Opened doors in 2012.

EMPLOYEES	**45**	(2020: 40)
CUSTOMERS	**4 981**	(2020: 6 221)
BRANCHES	**5**	(2020: 5)

L Loan D Deposit T Transaction I Insurance

FINANCIAL COMMENTARY

The Board of Directors of Letshego Holdings Limited ("the Group"/"Letshego Africa") herewith presents an extract of the reviewed consolidated full year financial results for the period ended 31 December 2021

OVERVIEW

Letshego achieved double digit performance growth for 2021, with profit before tax up 11% year-on-year to P1.147 billion, and Profit after tax climbing 16% for the same comparative period, to P730 million. Asset quality remains strong with the Group's Loan Loss Ratio (LLR) at -0.1% for the year, or 0.5% if we strip out once off deductions. The Group's Non-performing loans ratio increased marginally to 5.9% for the year (FY2020: 5.3%), reiterating stability in the Group's credit and risk management framework. Performance for the year was largely driven by 17% growth in net customer advances, totalling P11.9 billion.

2021 saw the commencement of Letshego's second phase of its 6-2-5 strategic execution roadmap, entitled 'Plan 2'. The duration of this second phase, the customer phase is two years, and is characterised by focused investment into deepening the Group's investment into differentiating digital and tech enhancements, spurring momentum in end-to-end automation of processes, systems and platforms, while securing strategic milestone in platforms and products that enable a step change in tangible value for new and potential customers. In the first half of the year, Letshego went live with its LetsGo Digital Mall in 10 markets, following successful pilots in Botswana and Nigeria. The LetsGo Digital Mall is a unifying platform, increasing customer access across multiple channels including web, USSD, whatsapp and mobile. The Digital Mall's technical structure is built in such a way as to enable Letshego to build and evolve this platform towards its ambition of creating an inclusive one-stop portal not only for Letshego products, Saving, payments, loans and lifestyle solutions, but also enabling access to everyday facilities such as mobile data and airtime, municipal service payments, all in a secured environment.

Net Interest Income saw a gradual increase of 6% year-on-year, and Non-funded income increased by 30% year-on-year, buoyed by momentum in new insurance offerings in select markets. In line with the Group's commitment to spurring focused investment, the Group's operating expenses grew 13% year-on-year. Investment is expected to increase further in the final phase of Plan 2 for the 2022 financial year.

Within the Group's lending value stream, Letshego achieved double digit growth in its Deduction at Source portfolio of 14% (FY2021: P10.5 billion). Profitability in Deduction at Source remains positive, buoyed by digital and system enhancements. The year saw slower growth in the Micro & Small Entrepreneur portfolio increasing in value by 7% to P859 million (FY 2020: P806 million). The Mass Mobile Loans portfolio enjoyed stronger performance, with growth more than doubling in value to P568 million (FY 2020: P231 million).

Letshego remains well capitalised at 35% capital adequacy ratio, and has a strong liquidity position to support future business growth. The Group is pleased to announce a final dividend of **9.7 thebe.**

FINANCIAL HIGHLIGHTS DECEMBER 2021

- **PROFIT BEFORE TAX (PBT)** up 11% year-on-year to P1.147 billion (FY 2020: P1.030billion)
- **PROFIT AFTER TAX (PAT)** up 16% year-on-year to P730 million (FY 2020: P631 million).
- **NET INTEREST INCOME** up 6% to P1.979 billion (FY 2020: P1.861billion)
- **NET ADVANCES** up 17% to P11.9 billion (FY 2020: P10.2 billion), while Gross Advances grew by 16% year-on-year
- **TOTAL ASSETS** increased by 30% year-on-year to P15.8 billion (FY 2020: P12.2billion)
- **LOAN LOSS RATIO (LLR)** of -0.1% (FY 2020: 0.3%) showed continuing loan book quality, and a write back in East Africa
- **CUSTOMER DEPOSITS** increased by 77% year-on-year to P1.2 billion (FY 2020: P664 million)
- **COST TO INCOME RATIO** of 52% (FY 2020: 50%), in line with expectation due to heightened digital investment and insurance costs in Namibia
- **EFFECTIVE TAX RATE (ETR)** improved to 36% (FY 2020: 39%)
- **EARNINGS PER SHARE** improved by 16% at 31.5 thebe (FY 2020: 27.1 thebe)
- **RETURN ON EQUITY (ROE)** increased to 14% (FY 2021: 13%) and return on assets was maintained at 5% (FY 2020: 5%).
- **NON-PERFORMING LOANS** ratio increased to 5.9% (FY 2020: 5.3%)
- **CAPITAL ADEQUACY RATIO** remain well capitalised at 35% (FY 2020: 39%) alongside strong asset growth
- **DEBT TO EQUITY** increased to 145% in line with gearing ratio guidelines (FY 2020: 118%)
- **NON-FUNDED INCOME** increased by 30% year-on-year to P368 million and grew to constitute 16% of Operating Income (FY2020: P284 million, 13% of Operating Income)

LetsGo

Since launching the **LetsGo Digital Mall**, Letshego's regional subsidiaries are focusing their local campaigns to register both existing and potential customers on the Mall. At the end of 2021, just over 93,000 Enterprise Active Customers (EAC) had registered on the Mall. At the time of going to press, the Group has already tripled this figure to registering more than 300,000 Enterprise Active Customers as at 3 March 2022. Letshego is on track to achieve 1 million EAC's by end of 2022.

Statement of Profit and Loss Review

Net Interest Income increased by 6% to P1.979 billion (FY 2021: P1.861million). Interest Income increased by 15% driven by strong net payout growth, predominantly by the mass mobile loan portfolio. Interest incurred on borrowings increased by 8% year-on-year, aligned with the Group's decision to strengthen liquidity buffers to support future growth. Ongoing commitments to diversify the Group's funding base have been successful, including a shift towards unsecured funding lines, supported by increasing customer deposits.

Non-funded income grew by 30% year-on-year, largely boosted by the revision of Namibia's insurance arrangements. Namibia revisions were executed in the middle to latter part of 2020, with 2021 performance benefitting from a full year of insurance arrangement income. Strong performance on non-funded income was boosted by fee and commission income increasing by 18% year-on-year. The Group's strategy to increase product diversification and broaden customer choice is well underway, and will deliver an enhanced customer value proposition that goes beyond traditional lending products, to include payments, insurance and lifestyle retail offering.

Total operational expenses increased 12% year-on-year in line with the Group's stipulated 5 year Transformation Strategy, driven by a clear digitalisation agenda. Additional costs were also incurred following adjustments in Namibia's insurance arrangements. Savings were achieved as the Group shifts from establishment to maintenance of it's COVID-19 Pandemic Planning, thus creating additional capacity for digital investment. Employee costs increased by 11% year-on-year supporting the acquisition of specialist and digital skills needed to support our digitalisation, risk management and overall Transformation Strategy.

Effective Tax Rate ("ETR"):

Letshego's Effective Tax Rate for the year improved by three percentage points to 36% (FY 2020*: 39%), attributable to a variety of financial factors, although dividends from subsidiaries increased to P585million, the Group benefited from some relief from double tax agreements with other jurisdictions. 2021 saw a decrease in tax provisions to 3%. Intra-Group charges increased by 6% hence the intragroup contribution to ETR increased to 5% from 4% in FY2020.

The components of the ETR are broken down as follows:

Components of the Effective Tax Rate	31 Dec 2021 %	31 Dec 2020 %
Baseline tax charge	28	28
Dividends from subsidiaries & preference shares	3	4
Intergroup costs	5	4
Tax Provisions	0	3
Effective tax rate	**36**	**39**

Asset Quality

Credit portfolio indicators remain robust, indicative of Letshego's continuous enhancement of its credit risk management framework, strengthened credit risk governance and improvements in risk infrastructure. Expected Credit Losses for the year were low, aligned with the Group's credit risk profile with the majority of its aggregated portfolio in Deduction at Source (FY2021 86% Deduction at Source)

The annualised Loan Loss Rate (LLR) for FY 2021 was -0.1%, improving on the prior year (FY 2020: 0.3%) that included a once-off write back of P105.3 million from Ghana Mobile Loans. The full year LLR of -0.1% includes a write-back of P76 million from a single party exposure in East Africa. Underlying LLR, that excludes once-offs in the year, is 0.5% compared to 1.8% underlying LLR (excluding once-offs) for 2020.

RELEASE OF SINGLE EXPOSURE PROVISIONS OF P76 MILLION

The Group received solid assurance of recovery of the P76 million loss taken in 2018 on the back of a high ticket size exposure in East Africa. The reversal of the 100% provision was made and this assurance of loan recovery led to overall Stage 3 NPL coverages moving from 98% in 2020 to 73% for full year 2021.

PORTFOLIO PERFORMANCE & QUALITY

The Group's Asset Quality remains stable with a marginal increase in non-performing loans (NPLs) to 5.9% for the period under review (FY2020: 5.3%). The increase in NPLs was driven by ongoing economic challenges experienced by the MSEs in the Group's East and West Africa portfolios. Recoveries within the MSE sectors remains gradual.

Letshego's NPL impairment coverage ratio ended the year at 73% (FY2020: 98%). Coverage was driven largely by a once-off reversal of P76 million provisions in East Africa. NPL levels in larger portfolio markets (Botswana and Namibia) stabilised, and led to an improved Loss Given Default ("LGD"). This, coupled with tight portfolio risk management processes, provides an opportunity for the Group to strengthen coverage levels further in 2022, with minimal impact on the Group's P&L.

Deduction at Source (DAS) loans remains the largest product portfolio, comprising 86% of the Group's overall lending portfolio (FY2020: 89%). Letshego's top profit-generating markets, Botswana, Namibia and Mozambique, performed well over the full year period, with NPL for the three markets' Deduction at Source portfolios aggregating at 4%.

Resilience against the COVID-19 pandemic

Letshego's most vulnerable product segment in pandemic conditions remains its marginal portfolio of Micro and Small Entrepreneurs (MSE), comprising 8% of the Group's total portfolio. Recovery of this segment remained gradual through the year following intermittent pandemic containment measures that prevailed across select countries in 2021. The Group's Deduction at Source portfolio remained resilient with public sector jobs largely unaffected despite pandemic conditions.

In an effort to mitigate risks associated with unpredictable pandemic environments, the Group is prudent in curtailing new loan growth in higher risk segments and geographies, while prioritising portfolio remediation and collection efforts.

Asset Quality: Tabulated summary

Asset quality	FY2021 %	HY2021 %	FY2020 %	HY2020 %	FY2019 %	HY2019 %	FY2018 %	FY2017 %
Portfolio at risk – 90 days (NPL)	**5.9**	5.6	**5.3**	7.9	**6.9**	7.3	**7.1**	**6.8**
Portfolio at risk – 30 days	**9.2**	8.7	**8.3**	11.2	**10.0**	10.6	**10.4**	**9.9**
Non-performing loan coverage ratio	**73**	92.0	**98.0**	103.0	**112.0**	109.0	**115.0**	**70.0**
Loan loss rate – actual	**-0.1**	1.4	**0.3**	1.4	**1.7**	2.5	**4.1**	**3.1**
Loan loss rate – excluding once-off items	**0.5**	1.9	**1.8**	1.4	**1.7**	2.5	**2.0**	**2.5**

Strong deposit growth

2021 was a milestone year for Letshego's Savings and Deposit segment, crossing the P1billion mark in portfolio value, and increasing 77% year-on-year P1.2 billion (FY2020: P664 million). Operational efficiencies over the period saw the segment reduce its costs by 100 basis points, with final quarter on quarter growth measuring the highest trajectory at 14% growth.

Deposit mobilisation remains a priority for the Group, evidenced by increased deposit customer numbers growth of 17% to 722 921 (FY 2020: 619 481). Focused initiatives to grow the deposit base in 2022 include digitalizing micro-saving solutions, salary domiciliation, development of our LetsGoPay payment ecosystems on the digital mall and growth in strategic partnerships.

Funding

The Group's continues to diversify funding sources. By increasing its overall quantum of funding, the Group has made strong progress in balancing funding sources. Wholesale bank funding reduced by two percentage points down to 39% of Letshego's total funding portfolio, while Development Finance Institution (DFIs) funding increased to 25% of the Group's total funding portfolio (FY2020: 21%).

The value of bond funding increased 20% year-on-year, supported by Letshego Namibia's first issuance in May, raising P171 million.

Local currency borrowing increased 85% year-on-year (FY2020: 78%) following vigilance in reducing hedging costs and foreign exchange rate risk. Increasing funder confidence is evidenced in debt maturities extending beyond 3 years, and secured debt halving year-on-year to 21% (FY 2020: 49%). Overall cost of funds reduced by 47 basis points in the reporting period, driven largely by a steep growth in deposits.

Liquidity

Liquidity is stable with year-end cash and cash equivalents at P1.4 billion with liquidity buffers in place. The Group's overall funding pipeline from regional banks and DFIs remains strong as we continue to rollout Programmatic Lending and increase Environmental and Social Governance tracking and reporting.

STRATEGIC TRANSFORMATION CONTINUES TO BE DRIVEN BY 5 CONVERSATIONS

Value Streams now lead Letshego's product delivery and customer focus.

1	2	3	4	5
Product Diversification	Digitalisation	Geographic Rebalancing	Enterprise Agility	Sustainable Shareholder Value

1 Diversifying our product offering

Lending

DEDUCTION AT SOURCE ("DAS")

Letshego's 'LetsGo Digital Platform' is now live in 10 markets, enabling existing and new customers to register online, access new DAS lending solutions, track their loans and update account information via their mobile phones.

DAS net loan book values grew 14% year-on-year to P10.5 billion (FY 2020: P9.1 billion). Double digit growth in Profit before tax for the segment resulted in a 20% increase to P1.2 billion (FY2020: P1 billion). Digital adoption is being spurred with greater volumes of loan applications being received via digital channels, with highest trends being seen in Nigeria, Namibia and Botswana. 78% of DAS customers are now active across various digital channels.

PROGRAMMATIC APPROACH AND MSES

MSE net loan book values increased 7% year-on-year to P859 million (FY 2020: P806 million). The segment's Profit before tax decreased by 59% to P22 million (MSE PBT: FY 2020 P54 million).

With the Head of Group Programmatic Approach now appointed, Letshego's 'Programmatic Approach' is gaining momentum in structured planning to prepare for launch. The commercial product offering that achieves demonstrable sustainable and social impact by leveraging extensive market research and technical assistance saw Namibia secure USD50 million from the International Finance Corporation (IFC) to kick start the development of its first Affordable Housing offering, and Ghana lay the foundations for its Affordable Housing launch in H1 2022. Botswana is on track to roll out its Educational Loan portfolio before June 2022.

LOANS FOR THE MASS MOBILE SEGMENT

Mass Mobile Lending has shown resilience through the pandemic given the ease in customer access, as well as enhanced credit management and credit automation processes. The net loan book value for the mass customer lending portfolio more than doubled to P568 million (FY 2020: P231 million). The migration of this segment to digital channels, along with the conclusion of Letshego's predictive scoring technology is expected to boost cost and profit efficiencies in the medium to longer term.

Savings & Deposits

LetsGo Save retail deposits grew 41% year-on-year to P445 million (FY 2020: P315 million) with growth spurred by Mozambique and Namibia. 2021 saw the launch of innovative crowd funding initiatives on Letshego's Digital Mall to boost retail deposits in Ghana and Namibia, with other markets to follow in 2022.Corporate deposits increased by 109% to P730 million (FY 2020: P360 million).

Insurance

LetsGo Insure launches and growth saw non core revenue increase 22% from the prior year to P200 million (FY 2020: P154 million). Insurance growth was driven by the launch of short term insurance in 3 markets - Namibia, Kenya and Tanzania. The Group also concluded a strategic insurance partnership during the year, that will see six digital insurance products available on Mall by end 2022.

Payments

Our existing LetsGoPay Card and USSD value propositions showed robust performance with card customers increasing by 142% to 84 526 (FY 2020: 34 941) and USSD customers increased by 23% to 119 930 (FY 2020: 95 527). Active 30 day usage across current LetsGo Pay channels doubled on the prior year, spurred by more customers seizing access advantages across digital channels. Digital or mobile phone accounts were rolled out in Ghana and Mozambique, and inward remittance services also added to Mozambique's local offering.

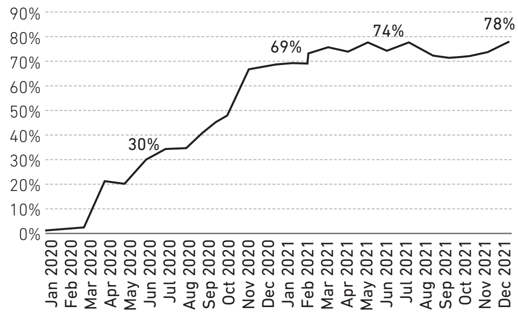
Lifestyle

In collaboration with key partners and FinTechs, research and development for value-adding lifestyle services and products will see deployment on the Mall in Q2 2022. Letshego's lifestyle products aim to provide beyond financial services offerings in wellbeing, education and personal finance solutions.

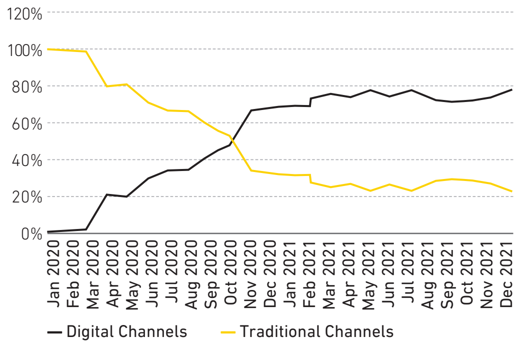
2 Accelerating digitalisation

With the milestone launch of LetsGo Digital Mall in 10 markets in the first half of 2021, loan applications submitted via digital channels increased to 78% by the end of the reporting period (End Dec 2020: 69%). Enterprise Active Customers (EAC) - the number of existing and new customers registering on the LetsGo Digital Mall - is gaining pace, and currently exceeds 300,000, having closed the reporting period at end December 2021 with EAC at 93,184.

DIGITAL ADOPTON TRENDS



DIGITAL AND TRADITIONAL CHANNELS TRENDS



3 Geographic Rebalancing

Geographic Rebalancing is an initiative to increase and balance the contribution of East and West subsidiaries to overall Group profits. In 2021 East and West markets' proportional contribution of Profit before tax (PBT) was 21%, at P320 million (FY 2020: 20%/ P269 million). The East and West subsidiaries performance was led by Kenya increasing its PBT by 146% to P 149 million (FY 2020: P61 million) and Uganda increasing its PBT by 144% to P53 million (FY 2020: P22 million). The growth in Uganda PBT is attributed to cost optimisation initiatives as well as increase in digital engagement with customers. Kenya's growth was supported by improvements in DAS impairments and MSE operational cost reductions as well as the write back.

4 Enterprise Agility

Ongoing initiatives to increase the number of agile thinking activators across Letshego's footprint were successful in 2021, with train-the-trainer Scaled Agile Framework (SAFe) training more than 40 employees as certified practitioners. 30 cross-functional Agile Squads now support customer and new product delivery targets. Performance measurement and tracking is now tracked online, with operational productivity having increased by 15% Group-wide since introducing Agile ways of working.

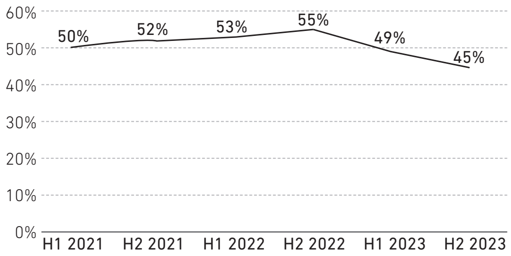
Our people-first initiatives include the appointment of 131 individuals with digital and specialist skills to support delivery and ongoing strategic transformation. Other empowerment initiatives include the launch of the LetsGo Digital Mastery programme for external candidates, leadership development programmes for both Executive and Managerial employees with Gordon Institute of Business School (GIBS), McKinsey's Black Academy for 25 employees to secure global expertise, and the extension of Letshgo's online digital learning portal, where all employees have access to over 4,000 globally accredited training and skill enhancing curricula. Currently 71% of employees are learning off the Coursera platform with 45,423 learning hours logged during the year, averaging 26 hours per employee.

5 Sustainable Shareholder Value

The Group's Capital Adequacy ratio remained strong at 35%. With the completion of the Capital Allocation and Optimisation exercise the Group is ensuring efficient use of all capital, thus supporting long term shareholder value and returns, through organic and inorganic growth. The Group's Return on Equity ratio improved from 13% to 14% year-on-year while the share price improved steadily over the last 18 month period. Moody's affirmed Letshego Holdings Ratings at a Ba2 Corporate Family Rating (CFR); Ba3/Not Prime issuer ratings and stable outlook. Debt-to-Equity Ratio at 145% (FY 2020: 118%) still within the Group's appetite.

Cost to Income ratio in 1st half will be lower at 53% but is expected to grow to 55% levels by end 2022 in line with enhanced investment brought forward to accelerate digital transformation.

COST TO INCOME RATIO PROJECTION



OUTLOOK

Improved distribution of vaccines and boosters across most sub Saharan markets has enabled economies to maintain relative levels of resilience and maintain open and active markets to support economic recoveries. Letshego has evolved its Pandemic Response Plan by providing access to vaccines for all employees, as well as creating a safe and healthy working environment by mandating that all on-premises employees are vaccinated.

From a macroeconomic perspective, Sub-Saharan Africa is expected to continue on an economic recovery trajectory in 2022. However, the pace of economic recovery will be slower in the near term as recurring pandemic waves disrupt domestic activity, supply chain bottlenecks continue, and debt burden increase. Rising geopolitical tensions globally do pose material downside risks to the global economic prospects generally, with pronounced impact on commodity dependent Sub Saharan economies. Inflation pressure, prevailing since 2020 is expected to continue through to the first half of 2022. We expect Governments to review monetary policies to stem inflation. Policy rates are expected to rise in 2022, with currencies under pressure in the near term. The Group remains alert to the fluidity of the macro economic environment and continues to effect forward looking management actions.

Letshego's digital-first future remains dynamic and inspiring with the LetsGo Digital Mall platform paving the way for greater cross-regional integration of systems, products and delivery for customers. This year will see Letshego launch a portfolio of Programmatic Lending solutions in Affordable Housing, Health and Education, with operational efficiencies spurred by the execution of our Target Operating Model that will house the Group's sub-regional digital hubs and zero-code technological enhancements. Data Analytics and artificial intelligence stand to provide an intrinsic source of intelligence for our strategic decisioning, and continuous evolution in customer experience. But at the centre of Letshego's transformation, remains our people. Empowering our people and customers with future-fit digital and specialist knowledge is just another way we are building a LetsGoNation, and giving our stakeholders the 'Power to Be and Do'.

AUDITORS' REVIEW

The condensed annual financial statements from which the financial information is set out in this announcement has been reviewed but not audited by Ernst & Young, Letshego Group's external auditors. Their unqualified review report is available for inspection at the Group's registered office.

DIVIDEND NOTICE

Notice is hereby given that the Board has declared a dividend of 9.7 thebe per share for the period ended 31 December 2021. In terms of the Botswana Income Tax Act (Cap 50:01) as amended, withholding tax at the rate of 10% or any other currently enacted tax rate will be deducted from the dividend for the year ended 31 December 2021.

Important dates pertaining to this dividend are:

- Declaration date: 25 February 2022
- Therefore, the shares go ex-dividend from 17 May 2022
- Last date to register (LDR) is 19 May 2022
- Dividend payment date on or about, 31 May 2022

For and on behalf of the Board of Directors:

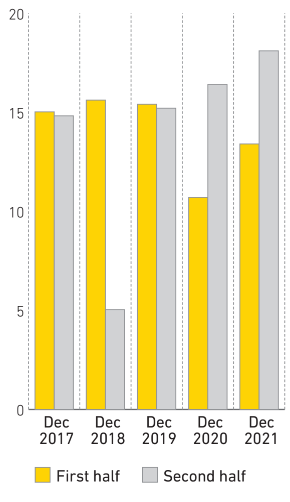
Enos Banda
Group Chairman
3 March 2022

Andrew Fening Okai
Group Chief Executive
3 March 2022

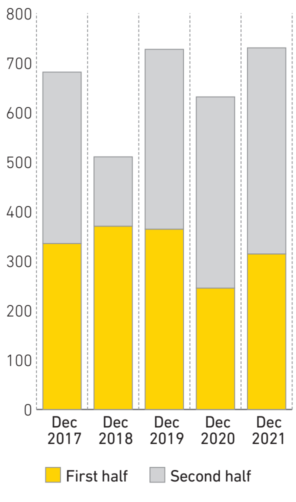
RATIOS

	31 Dec 2021 (Reviewed) %	31 Dec 2020 (Audited) %
Return on average assets	5	5
Return on average equity	14	13
Cost to income ratio	52	50
Debt to equity ratio	145	118

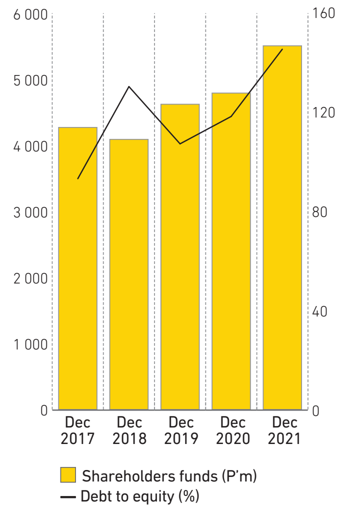
BASIC EARNING PER SHARE (%)



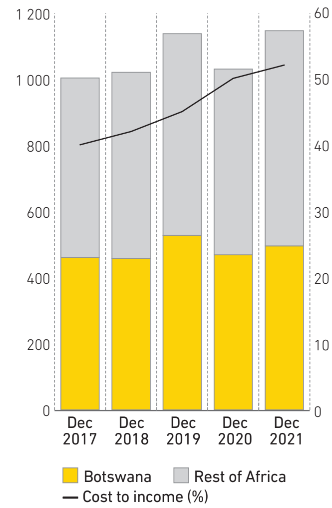
PROFIT AFTER TAX (P'm)



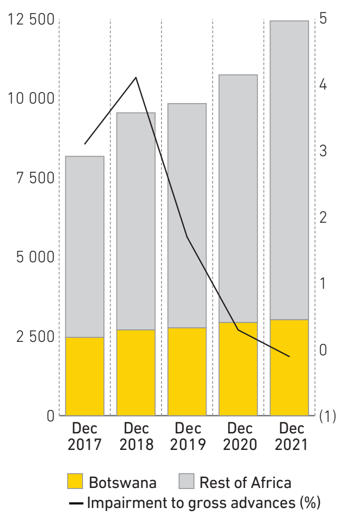
SHAREHOLDERS' FUND:
DEBT TO EQUITY



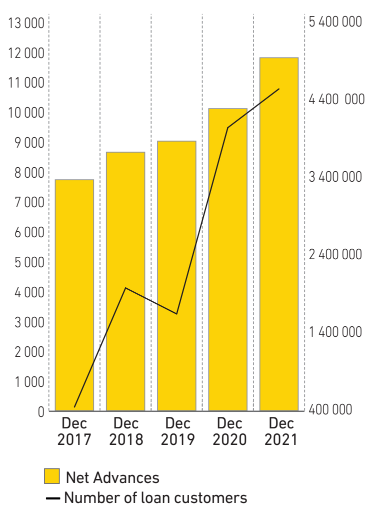
GEOGRAPHIC DIVERSIFICATION
AND PBT TO COST TO INCOME RATIO



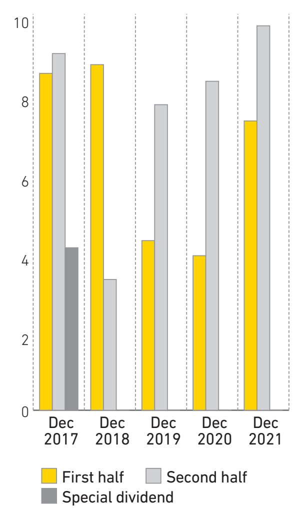
GROSS ADVANCES
AND IMPAIRMENT



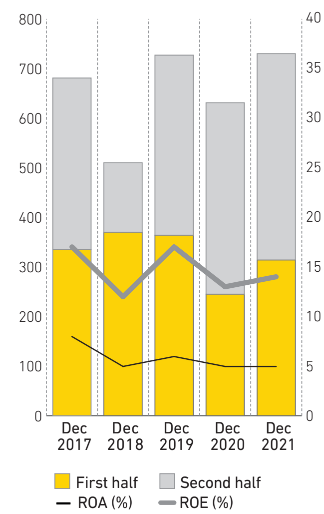
NET ADVANCES AND
NUMBER OF CUSTOMERS



DIVIDEND PER SHARE
(THEBE)



ROA vs ROE vs PAT



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	31 Dec 2021 (Reviewed) P'000	31 Dec 2020 (Audited) P'000	Change %
ASSETS				
Cash and cash equivalents	1	**1 413 500**	975 656	
Investment securities	2	**859 496**	68 208	
Advances to customers	3	**11 875 595**	10 161 534	17
Other receivables	4	**413 411**	263 202	
Financial assets at fair value through profit or loss	5	**612 254**	140 804	
Financial assets at fair value through OCI		**71 499**	59 408	
Income tax receivable		**134 767**	102 633	
Property, plant and equipment	6	**172 822**	94 229	
Right of use assets	7	**98 756**	131 703	
Intangible assets	8	**30 040**	39 091	
Goodwill	9	**67 715**	65 598	
Deferred tax assets		**95 748**	124 139	
Total assets		**15 845 603**	**12 226 205**	**30**
LIABILITIES AND EQUITY				
Liabilities				
Financial liabilities at fair value through profit or loss	10	**594 783**	152 855	
Customer deposits	11	**1 175 586**	664 393	77
Cash collateral	12	**21 522**	18 838	
Trade and other payables	13	**965 860**	714 548	
Lease liabilities	14	**99 646**	133 377	
Income tax payable		**96 268**	103 057	
Borrowings	15	**7 380 768**	5 649 561	
Deferred tax liabilities		**5 168**	–	
Total liabilities		**10 339 601**	**7 436 629**	
Shareholders' equity				
Stated capital	16	**882 224**	872 169	
Foreign currency translation reserve		**(557 341)**	(885 673)	
Legal reserve		**265 244**	214 835	
Fair value adjustment reserve		**15 248**	5 817	
Share based payment reserve		**39 907**	31 295	
Retained earnings		**4 421 568**	4 133 314	
Total equity attributable to equity holders of the parent company		**5 066 850**	**4 371 757**	
Non-controlling interests		**439 152**	417 819	
Total shareholders' equity		**5 506 002**	**4 789 576**	
Total liabilities and equity		**15 845 603**	**12 226 205**	**30**

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Note	12 months ended 31 Dec 2021 (Reviewed) P'000	12 months ended 31 Dec 2020 (Audited) P'000	Change %
Interest income at effective interest rate	17	3 110 511	2 712 278	15
Interest expense at effective interest rate	18	(1 119 108)	(819 324)	37
Other interest expense	18.1	(12 569)	(31 640)	(60)
Net in erest income		**1 978 834**	**1 861 314**	**6**
Fee and commission income	19	83 681	71 033	18
Other operating income	20	284 243	212 536	34
Operating income		**2 346 758**	**2 144 883**	**9**
Employee costs	21	(546 241)	(493 497)	11
Other operating expenses	22	(670 969)	(595 308)	13
Net income before impairment and taxation		**1 129 548**	**1 056 078**	**7**
Expected credit losses	23	17 196	(25 771)	(167)
Profit before taxation		**1 146 744**	**1 030 307**	**11**
Taxation		(417 243)	(399 434)	
Profit for the year		**729 501**	**630 873**	**16**
Attributable to:				
Equity holders of the parent company		671 554	575 718	
Non-controlling interests		57 947	55 155	
Profit for the year		**729 501**	**630 873**	**16**
Other comprehensive income, net of tax				
Items that may be subsequently reclassified to profit or loss:				
Fair value adjustment from revaluation of a financial asset		9 431	5 817	
Foreign currency translation differences arising from foreign operations		329 824	(219 197)	
Total comprehensive income for the year		**1 068 756**	**417 493**	
Attributable to:				
Equity holders of the parent company		1 009 317	371 747	
Non-controlling interests		59 439	45 746	
Total comprehensive income for the year		**1 068 756**	**417 493**	
Weighted average number of shares in issue during the year (millions)		2 134	2 128	
Dilution effect – number of shares (millions)		149	99	
Number of shares in issue at the end of the year (millions)		2 144	2 144	
Basic earnings per share (thebe)		31.5	27.1	16
Fully diluted earnings per share (thebe)		29.4	25.7	

Note: The diluted EPS has been calculated based on the total number of shares that may vest in terms of the Group's long term staff incentive scheme.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	Year ended 31 Dec 2021 (Reviewed) P'000	Year ended 31 Dec 2020 (Audited) P'000
OPERATING ACTIVITIES			
Profit before taxation		1 146 744	1 030 307
Adjustments for:			
– Interest income at effective interest rate		(3 110 511)	(2 712 278)
– Interest expense		1 131 677	850 964
– Amortisation, depreciation, right of use assets and disposals		101 143	85 674
– Impairment and write off charge		161 121	224 400
Movement in working capital and other changes		(1 482 111)	(1 153 479)
Cash used in operations		(2 051 937)	(1 674 412)
Interest received		3 110 511	2 712 278
Interest paid		(1 119 108)	(837 911)
Income tax paid		(425 271)	(536 257)
Net cash flows used in operating activities		(485 805)	(336 302)
INVESTING ACTIVITIES			
Purchase of treasury bonds		(791 288)	(68 208)
Purchase of property, plant and equipment		(112 908)	(41 200)
Purchase of intangible assets		(2 926)	(4 120)
Net cash flows used in investing activities		(907 122)	(113 528)
FINANCING ACTIVITIES			
Dividends paid to equity holders and subsidiary non-controlling interest		(370 997)	(265 392)
Payment of capital and interest on leases		(62 969)	(49 886)
Finance obtained from third parties		2 817 052	1 273 785
Repayment of borrowings		(636 976)	(519 042)
Net cash flows generated from financing activities		1 746 110	439 465
Net movement in cash and cash equivalents		353 183	(10 365)
Cash and cash equivalents at the beginning of the year		918 326	972 123
Effect of exchange rate changes on cash and cash equivalents		83 785	(43 432)
Cash and cash equivalents at the end of the year	1	**1 355 294**	**918 326**

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Stated capital P'000	Retained earnings P'000	Share based payment reserve P'000	Fair value reserve of financial assets at FVOCI P'000
Balance at 1 January 2020	**862 621**	**3 823 280**	**24 304**	**–**
Total comprehensive income for the year				
Profit for the year	–	575 718	–	–
OTHER COMPREHENSIVE INCOME, NET OF INCOME TAX				
Other comprehensive income	–	–	–	5 817
Foreign currency translation reserve	–	–	–	–
Transactions with owners, recorded directly in equity				
Allocation to legal reserve	–	(19 042)	–	–
Recognition of share based payment reserve movement	–	–	16 539	–
New shares issued from long term incentive scheme	9 548	–	(9 548)	–
Dividends paid by subsidiary to minority interests	–	–	–	–
Dividends paid to equity holders	–	(246 642)	–	–
Balance at 31 December 2020 - Audited	**872 169**	**4 133 314**	**31 295**	**5 817**
Total comprehensive income for the year				
Profit for the year	–	671 554	–	–
OTHER COMPREHENSIVE INCOME, NET OF INCOME TAX				
Other comprehensive income	–	–	–	9 431
Foreign currency translation reserve	–	–	–	–
Transactions with owners, recorded directly in equity				
Allocation from legal reserve	–	(50 409)	–	–
Recognition of share based payment reserve movement	–	–	18 667	–
New shares issued from long term incentive scheme	10 055	–	(10 055)	–
Dividends paid by subsidiary to minority interests	–	–	–	–
Dividends paid to equity holders	–	(332 891)	–	–
Balance at 31 December 2021 - Reviewed	**882 224**	**4 421 568**	**39 907**	**15 248**

ue of ts CI)0	Foreign currency translation reserve P'000	Legal reserve P'000	Non-controlling interest P'000	Total P'000
–	**(675 885)**	**195 793**	**390 823**	**4 620 936**
–	–	–	55 155	630 873
17	–	–	–	5 817
–	(209 788)	–	(9 409)	(219 197)
–	–	19 042	–	–
–	–	–	–	16 539
–	–	–	–	–
–	–	–	(18 750)	(18 750)
–	–	–	–	(246 642)
17	**(885 673)**	**214 835**	**417 819**	**4 789 576**
–	–	–	57 947	729 501
31	–	–	–	9 431
–	328 332	–	1 492	329 824
–	–	50 409	–	–
–	–	–	–	18 667
–	–	–	–	–
–	–	–	(38 106)	(38 106)
–	–	–	–	(332 891)
48	**(557 341)**	**265 244**	**439 152**	**5 506 002**

SEGMENTAL REPORTING

Reportable segements 31 December 2021	**Botswana P'000**	**Namibia P'000**	**Mozambique P'000**	**Lesotho P'000**	**Eswatini P'000**	**Kenya P'000**
Operating income	**679 181**	**538 209**	**414 016**	**89 916**	**88 414**	**139 548**
Profit / (loss) before taxation	**495 615**	**331 030**	**284 717**	**47 613**	**30 103**	**149 352**
Taxation – consolidated						
Profit – consolidated						
Gross advances to customers	3 026 111	3 198 250	1 789 702	352 248	527 761	666 612
Impairment provisions	(106 595)	(34 463)	(19 350)	(21 680)	(39 191)	(49 056)
Net advances	**2 919 516**	**3 163 787**	**1 770 352**	**330 568**	**488 570**	**617 556**
Total assets	**3 149 434**	**4 087 930**	**2 074 472**	**384 151**	**522 744**	**774 337**
Borrowings	**1 389 936**	**1 488 326**	**269 826**	**77**	**138 240**	**404 207**
Total liabilities	**1 475 064**	**1 957 440**	**901 509**	**9 395**	**148 063**	**463 386**

Reportable segements 31 December 2020	Botswana P'000	Namibia P'000	Mozambique P'000	Lesotho P'000	Eswatini P'000	Kenya P'000
Operating income	**652 661**	**489 087**	**314 075**	**85 240**	**77 949**	**159 475**
Profit / (loss) before taxation	**471 412**	**333 581**	**197 177**	**60 845**	**29 992**	**60 803**
Taxation – consolidated						
Profit – consolidated						
Gross advances to customers	2 937 130	2 714 213	1 268 176	428 787	514 252	737 442
Impairment provisions	(110 884)	(42 871)	(24 127)	(19 314)	(22 609)	(137 564)
Net advances	**2 826 246**	**2 671 342**	**1 244 049**	**409 473**	**491 643**	**599 878**
Total assets	**2 990 027**	**3 253 380**	**1 470 446**	**418 628**	**524 822**	**714 571**
Borrowings	**1 257 184**	**1 076 369**	**199 468**	**245 757**	**319 341**	**372 997**
Total liabilities	**1 376 416**	**1 333 001**	**604 966**	**258 504**	**332 572**	**504 844**

ya)0	Rwanda P'000	Uganda P'000	Tanzania P'000	Nigeria P'000	Ghana P'000	Holding company and eliminations P'000	Total P'000
48	**8 604**	**159 364**	**140 382**	**73 916**	**233 885**	**(218 677)**	**2 346 758**
52	**361**	**52 915**	**15 171**	**6 252**	**95 968**	**(362 353)**	**1 146 744**
							(417 243)
							729 501
12	59 648	478 787	467 618	174 259	1 698 304	–	12 439 300
56)	(3 063)	(30 682)	(49 632)	(30 784)	(179 209)	–	(563 705)
56	**56 585**	**448 105**	**417 986**	**143 475**	**1 519 095**	**–**	**11 875 595**
37	**87 122**	**503 703**	**589 318**	**178 903**	**2 312 965**	**1 180 524**	**15 845 603**
07	**–**	**201 042**	**–**	**–**	**1 246 823**	**2 242 291**	**7 380 768**
36	**26 322**	**216 161**	**79 702**	**63 803**	**2 074 245**	**2 924 511**	**10 339 601**

ya)0	Rwanda P'000	Uganda P'000	Tanzania P'000	Nigeria P'000	Ghana P'000	Holding company and eliminations P'000	Total P'000
75	**6 112**	**134 659**	**145 826**	**61 892**	**187 040**	**(169 133)**	**2 144 883**
03	**614**	**21 669**	**64 682**	**5 935**	**115 732**	**(332 135)**	**1 030 307**
							(399 434)
							630 873
42	33 309	418 300	459 312	151 564	1 077 036	–	10 739 521
54)	(2 637)	(39 109)	(44 491)	(20 110)	(114 271)	–	(577 987)
78	**30 672**	**379 191**	**414 821**	**131 454**	**962 765**	**–**	**10 161 534**
71	**54 682**	**445 039**	**583 025**	**167 920**	**1 213 506**	**390 159**	**12 226 205**
97	**12 696**	**291 989**	**18 234**	**1 860**	**683 704**	**1 169 962**	**5 649 561**
44	**34 070**	**309 802**	**112 469**	**62 515**	**1 048 203**	**1 459 267**	**7 436 629**

NOTES TO THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION AND STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		At 31 Dec 2021 (Reviewed) P'000	At 31 Dec 2020 (Audited) P'000
1	**CASH AND CASH EQUIVALENTS**		
	Cash at bank and in hand	1 217 269	850 076
	Statutory cash reserve	58 206	57 330
	Short term investments	138 025	68 250
		1 413 500	975 656
	Cash and cash equivalents for the purpose of the statement of cash flows	**1 355 294**	**918 326**
2	**INVESTMENT IN SECURITIES**		
	Government and Corporate bonds: 2 – 5 year fixed rate notes	832 116	68 208
	Government and Corporate bonds: Above 5 year fixed rate notes	27 380	–
		859 496	**68 208**
3	**ADVANCES TO CUSTOMERS**		
	Gross advances to customers	12 439 300	10 739 521
	Less : Expected credit losses		
	– Stage 1	(130 813)	(213 621)
	– Stage 2	(110 193)	(73 435)
	– Stage 3	(322 699)	(290 931)
	Net advances to customers	**11 875 595**	**10 161 534**
4	**OTHER RECEIVABLES**		
	Deposits and prepayments	82 120	46 951
	Receivable from insurance arrangements	269 544	168 029
	Withholding tax and value added tax	880	755
	Deferred arrangement fees	29 767	19 418
	Settlement and clearing accounts	19 742	23 619
	Other receivables	11 358	4 430
		413 411	**263 202**
5	**FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS**		
	Foreign currency swap	**612 254**	**140 804**

This relates to foreign currency swap arrangement with a financial institution, where the Group paid a specified amount in one currency and received specified amount in another currency to reduce its exposure on currency risk. These were translated using reporting date exchange rates to reflect the changes in foreign currencies. The related financial liability at fair value through profit or loss is in note 9.

6 PROPERTY PLANT AND EQUIPMENT

	Carrying amount at 01 Jan 2021	Additions	Transfers	Disposal and written off	Depreciation charge	Forex translation	**Carrying amount at 31 Dec 2021**
Motor vehicles	5 093	2 750	–	(595)	(2 643)	704	**5 309**
Computer equipment	32 511	15 218	446	(305)	(24 378)	2 219	**25 711**
Office furniture and equipment	29 409	10 283	–	(1 424)	(10 617)	2 562	**30 213**
Land and building	16 824	–	–	–	–	62	**16 886**
Work in progress	10 392	84 657	(715)	–	–	369	**94 703**
	94 229	**112 908**	**(269)**	**(2 324)**	**(37 638)**	**5 916**	**172 822**

7 RIGHT-OF-USE ASSET

	Carrying amount at 01 Jan 2021	Additions	Modifications	Disposal and written off	Depreciation charge	Forex translation	**Carrying amount at 31 Dec 2021**
Property	131 703	26 328	(14 601)	–	(47 255)	2 581	**98 756**
	131 703	**26 328**	**(14 601)**	**–**	**(47 255)**	**2 581**	**98 756**

During the current year there was a remeasurement of the head-office lease liability that resulted in the modication adjustment noted above.

8 INTANGIBLE ASSETS

	Carrying amount at 01 Jan 2021	Additions	Transfers	Disposal	Amortisation charge	Forex translation	**Carrying amount at 31 Dec 2021**
Computer software	35 926	2 926	284	(138)	(12 684)	1 578	**27 892**
Brand value	1 197	–	–	–	(392)	21	**826**
Core deposit	1 968	–	–	–	(712)	66	**1 322**
	39 091	**2 926**	**284**	**(138)**	**(13 788)**	**1 665**	**30 040**

9 GOODWILL

	At 31 Dec 2021 (Reviewed) P'000	At 31 Dec 2020 (Audited) P'000
Goodwill arose on the acquisition of:		
Letshego Holdings Namibia Limited	**22 537**	22 489
Letshego Tanzania Limited	**2 066**	1 886
Letshego Kenya Limited	**32 885**	31 349
AFB Ghana Plc	**10 227**	9 874
	67 715	**65 598**

Goodwill was translated using reporting date exchange rates to reflect the changes in foreign currencies. The Group assesses the recoverable amount of goodwill in respect of all cash generating units to determine indications of impairment. An assessment was done at year end and there were no indications of impairment for the above cash generating units.

		At 31 Dec 2021 (Reviewed) P'000	At 31 Dec 2020 (Audited) P'000
10	**FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS**		
	Foreign currency swap (note 4)	**594 783**	**152 855**
11	**CUSTOMER DEPOSITS**		
	Demand accounts	38 501	106 384
	Savings accounts	395 319	107 669
	Call and term deposits	741 766	450 340
		1 175 586	**664 393**
12	**CASH COLLATERAL**		
	Cash collateral on loans and advances	21 522	18 838
	Cash collateral represents payments made by customers as security for loans taken. The amounts are refundable upon the successful repayment of loans by customers or are utilised to cover loans in the event of default.		
13	**TRADE AND OTHER PAYABLES**		
	Insurance premium payable	142 839	146 530
	Payroll related accruals	14 400	14 204
	Staff incentive accrual	87 888	75 968
	Other provisions	29 295	58 167
	Guarantee funds	546 039	291 961
	Trade and other payables	124 493	94 818
	Value added tax / withholding tax payable	20 906	32 900
		965 860	**714 548**
14	**LEASE LIABILITIES**		
	Lease liability	**99 646**	**133 377**
15	**BORROWINGS**		
	Commercial banks	3 015 603	2 588 765
	Note programmes	2 070 285	1 555 891
	DFI's	2 294 880	1 339 680
	Pension Funds	–	165 225
	Total borrowings	**7 380 768**	**5 649 561**
16	**STATED CAPITAL**		
	Issued: 2,144,045,175 ordinary shares of no par value (2020: 2,144,045,175) of which 9,222,720 shares (2020: 14,571,140) are held as treasury shares	**882 224**	**872 169**

		12 months ended 31 Dec 2021 (Reviewed) P'000	12 months ended 31 Dec 2020 (Audited) P'000
17	**INTEREST INCOME AT EFFECTIVE INTEREST RATE**		
	Advances to customers	**2 588 409**	2 426 509
	Interest income on risk informal / mobile loans	**92 879**	78 346
	Interest income on non-risk informal / mobile loans	**387 166**	185 271
	Interest income from deposits with banks	**42 057**	22 152
		3 110 511	**2 712 278**
18	**INTEREST EXPENSE AT EFFECTIVE INTEREST RATE**		
	Overdraft facilities and term loans	731 942	634 053
	Interest expense on non-risk informal / mobile loans	387 166	185 271
		1 119 108	**819 324**
18.1	**OTHER INTEREST EXPENSE**		
	Interest expense on leases	14 930	13 053
	Foreign exchange (gain) / loss	(2 361)	18 587
		12 569	**31 640**
		1 131 677	**850 964**
19	**Fee and commission income**		
	Administration fees – lending	68 310	64 443
	Credit life insurance commission	15 371	6 590
		83 681	**71 033**
20	**Other operating income**		
	Early settlement fees	53 805	42 156
	Income from insurance arrangements	200 664	153 925
	Market to market gain on foreign currency swaps	13 226	7 184
	Sundry (loss) / income	16 548	9 271
		284 243	**212 536**
21	**EMPLOYEE COSTS**		
	Salaries and wages	411 292	361 782
	Staff incentive	74 905	75 053
	Staff recruitment costs	1 861	2 184
	Staff pension fund contribution	31 538	28 669
	Directors' remuneration – for management services (executive)	7 978	9 270
	Long term incentive plan	18 667	16 539
		546 241	**493 497**

	12 months ended 31 Dec 2021 (Reviewed) P'000	12 months ended 31 Dec 2020 (Audited) P'000
22 OTHER OPERATING EXPENSES		
Accounting and secretarial fees	764	641
Advertising	26 656	22 078
Audit fees	6 661	5 732
– Audit services	6 514	5 575
– Covenant compliance fees	147	157
Bank charges	8 693	10 497
Computer expenses	13 139	17 005
Consultancy fees	49 805	59 650
Corporate social responsibility	1 689	4 912
Collection commission	75 909	61 033
Direct costs	36 844	50 305
Direct costs – informal loans	23 922	22 969
Depreciation and amortisation	51 426	49 808
Depreciation – right of use assets	47 255	35 183
Directors' fees – non executive	9 850	8 581
Directors' fees – subsidiary boards	9 253	7 746
Government levies	31 024	27 142
Insurance	16 798	18 688
Insurance fees – customer short term	55 194	-
Office expenses	22 500	23 161
Rental expense for low value assets	6 638	7 325
Short term leases	1 414	2 852
Other operating expenses	91 156	80 668
– Entertainment	305	338
– IT costs	6 454	8 000
– Loss on disposal of plant and equipment and intangible assets	2 462	683
– Motor vehicle expenses	8 516	6 554
– Printing and Stationery	7 996	7 745
– Repairs and Maintenance	6 060	4 292
– Storage costs	2 848	2 271
– Subscriptions and licenses	8 099	5 919
– Other expenses	48 416	44 866
Payroll administration costs	1 093	2 086
Professional fees	34 596	24 972
Telephone and postage	32 418	32 995
Travel	16 272	19 279
	670 969	**595 308**

		12 months ended 31 Dec 2021 (Reviewed) P'000	12 months ended 31 Dec 2020 (Audited) P'000
23	**EXPECTED CREDIT LOSSES**		
	Amounts written off	175 403	407 817
	Recoveries during the year	(178 317)	(198 629)
	Expected credit losses reversed during the year	(14 282)	(183 417)
		(17 196)	**25 771**

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