

## EBank Financial Results 2015/16

On Wednesday 27 July 2016, EBank announced its financial results for the financial year ended 31 March 2016. The results represent its first operational 12 month period of reporting since the Bank officially launched on 1 November 2014.

### Financial performance and Key Indicators

Mr. Mike Mukete, CEO of EBank, indicated that the Bank recorded strong operational growth for the year ended 31 March 2016. “It is important to note that we are still in a business implementation phase and that we continue to invest in technology, people and our unique distribution network in order to provide easy, safe and smart banking solutions. We will continue to evolve and innovate in line with our future growth ambitions”, said Mr Mukete. “As a start-up Bank, we are satisfied with these results and remain confident about the future of our business model”, he continued.

Mr Mukete further announced that EBank has grown its client deposit book 14-times during the year under review to N\$247 million, with revenues increasing 21-times to N\$ 17.6 million. The number of activated client accounts grew to just below 50,000 since March 2015, which represents an increase of 113%. “Much of this growth is attributed to the roll-out of our distinct distribution network through a combination of retail partners, service centres and our branches in Oshikango and now Oshakati” said Mukete.

“Coupled with this we have also seen a year-on-year increase of 212% in monthly transaction volumes, driven largely by the introduction of our Master Card debit cards in September 2015 and the commencement of foreign exchange trading in June 2015”, continued Mr. Mukete. The above growth in transaction volumes resulted in a year-on-year growth of 461% in transaction values.

“Client confidence is key to any retail banking operation. The increases in client numbers, transaction volumes and transaction values indicate that our clients have warmed up to the EBank brand and experience us as a serious contender in the Namibian financial sector”, commented Gerald Riedel, EBank CFO and Executive Director.

Mr Mukete pointed out that EBank recorded a Loss after Tax of N\$25 Million for the year under review. “These numbers are in line with our budgetary expectations and primarily represent the projected costs of establishing the banking infrastructure”, Mukete added.

The Bank concluded its results presentation by re-affirming that the financials are in line with its current growth plans. “We maintain healthy capital adequacy ratios and are confident that EBank is on track to achieve its medium- and long-term targets”, concluded Mr Riedel.

### **Meeting the needs of all Namibians**

EBank has, in addition to transactional banking services to individuals, set out to build a fully-fledged bank competing in a wide spectrum of modern financial services.

In this regard, EBank has set up a Treasury and Foreign Exchange Division that is focused on catering for investment solutions and the foreign exchange needs of corporate and private clients. EBank further launched a lending solution for corporates during the year under review. At year-end, EBank had advanced N\$52 million in secured loans. In addition, EBank intends to provide transactional banking solutions to the corporate market before the end of the current financial year.

The expansion of these service offerings were made possible by the raising of additional share capital through a private placement during August and September 2015. EBank raised N\$70 million in share capital through this private placement, all from Namibian individuals and companies.

Mr. Mukete indicated that the Bank will continue to innovate and introduce new services and channels as he highlighted several milestones for the year under review, which included:

- June 2015: Foreign exchange dealer’s license granted;
- July 2015: Opening of Wernhil Park Client Service Centre;
- September 2015: Launch of Master Card debit cards;
- November 2015: Opening of Oshikango Branch;
- December 2015: Opening of Oshakati Client Service Centre (now converted into a branch);
- February 2016: Extended first loans.

### **Redefining Banking in Namibia**

At launch, EBank introduced two free banking solutions, EBank Easy and EBank Smart, accessible anywhere and at very affordable rates and charges. The Bank continues to distinctly differentiate itself by offering:

- The only self-activated banking products in the market;
- Access to Payment, Deposit and/or Withdrawal service via 120 Retail Partners countrywide;
- Free, self-managed 32-day notice savings account;
- Free, multichannel banking through Cellphone-, Mobi- & Internet Banking and Card and
- Real-time, paperless personal banking processes to all.

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