

Lime Loans South Africa Proprietary Limited
(Registration number 2015/239349/07)
Annual Financial Statements
for the year ended 28 February 2018

MCG & Associates Inc.
Chartered Accountants (S.A.)
Registered Auditors

These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008.

Issued 16 July 2018

Lime Loans South Africa Proprietary Limited

(Registration number 2015/239349/07)

Annual Financial Statements for the year ended 28 February 2018

General Information

| | |
|---|--|
| Country of incorporation and domicile | South Africa |
| Nature of business and principal activities | Granting of short-term loans on credit |
| Director | CTM Tembo |
| Registered office | Shop 1 - 125 Webber Road Lambton Germiston Gauteng 1401 |
| Business address | Shop 1 - 125 Webber Road Lambton Germiston Gauteng 1401 |
| Postal address | Shop 1 - 125 Webber Road Lambton Germiston Gauteng 1401 |
| Auditor's | MCG & Associates Inc. Chartered Accountants (S.A.) Registered Auditors |
| Company registration number | 2015/239349/07 |
| Tax reference number | 9925/879/15/8 |

Lime Loans South Africa Proprietary Limited

(Registration number 2015/239349/07)

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The reports and statements set out below comprise the annual financial statements presented to the shareholder:

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These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008.

Published

16 July 2018

Lime Loans South Africa Proprietary Limited

(Registration number 2015/239349/07)

Annual Financial Statements for the year ended 28 February 2018

Director's Responsibilities and Approval

The director is required by the Companies Act 71 of 2008, to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is her responsibility to ensure that the annual financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities. The external auditor's is engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

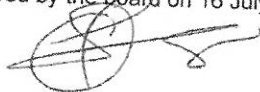
The director acknowledges that she is ultimately responsible for the system of internal financial control established by the company and places considerable importance on maintaining a strong control environment. To enable the director to meet these responsibilities, the board sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The director is of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The director has reviewed the company's cash flow forecast for the year to 28 February 2019 and, in the light of this review and the current financial position, she is satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditor's are responsible for independently auditing and reporting on the company's annual financial statements. The annual financial statements have been examined by the company's external auditor's and their report is presented on page 4.

The annual financial statements set out on pages 6 to 17, which have been prepared on the going concern basis, were approved by the board on 16 July 2018 and were signed on its behalf by:



CTM Tembo
Johannesburg, South Africa

Monday, 16 July 2018

Independent Auditors' Report

To the shareholder of Lime Loans South Africa Proprietary Limited

Opinion

We have audited the Annual Financial Statements of Lime Loans South Africa Proprietary Limited set out on pages 7 to 15, which comprise the Statement of Financial Position as at 28 February 2018, and the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the Annual Financial Statements, including a summary of significant accounting policies.

In our opinion, the Annual Financial Statements present fairly, in all material respects, the financial position of Lime Loans South Africa Proprietary Limited as at 28 February 2018, and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditors Responsibilities for the Audit of the Annual Financial Statements section of our report. We are independent of the company in accordance with the Independent Regulatory Board for Auditors Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The director is responsible for the other information. The other information comprises the Director's Report as required by the Companies Act 71 of 2008, which we obtained prior to the date of this report. Other information does not include the Annual Financial Statements and our auditor's report thereon.

Our opinion on the Annual Financial Statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the Annual Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Annual Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work We have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the director for the Annual Financial Statements

The director is responsible for the preparation and fair presentation of the Annual Financial Statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008, and for such internal control as the director determines is necessary to enable the preparation of Annual Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Annual Financial Statements, the director is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the director either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Independent Auditors' Report

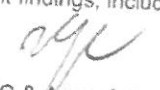
Auditor's responsibilities for the audit of the Annual Financial Statements

Our objectives are to obtain reasonable assurance about whether the Annual Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Annual Financial Statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Annual Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the director.
- Conclude on the appropriateness of the director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Annual Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Annual Financial Statements, including the disclosures, and whether the Annual Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the director regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.


MCG & Associates Inc.
MC Grove
Partner
Chartered Accountants (S.A.)
Registered Auditors

16 July 2018
Johannesburg

Lime Loans South Africa Proprietary Limited

(Registration number 2015/239349/07)

Annual Financial Statements for the year ended 28 February 2018

Director's Report

The director has pleasure in submitting her report on the annual financial statements of Lime Loans South Africa Proprietary Limited for the year ended 28 February 2018.

1. Nature of business

Lime Loans South Africa Proprietary Limited was incorporated in South Africa. The company operates in South Africa. The company is engaged in the granting of short-term loans on credit.

2. Review of financial results and activities

The annual financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008.

Full details of the financial position, results of operations and cash flows of the company are set out in these annual financial statements.

3. Share capital

| Authorised Ordinary shares | | | 2018 | 2017 |
|-------------------------------|------------|------------|---------------------------|---------------------------|
| | | | Number of shares 1 000 | Number of shares 1 000 |
| Issued Ordinary shares | 2018 | 2017 | 2018 | 2017 |
| | R 1 000 | R 1 000 | Number of shares 1 000 | Number of shares 1 000 |
| | | 1 000 | 1 000 | 1 000 |

There have been no changes to the authorised or issued share capital during the year under review.

4. Director

The director in office at the date of this report is as follows:

Director
CTM Tembo

Nationality
South African

There have been no changes to the directorate for the period under review.

5. Property, plant and equipment

There was no change in the nature of the property, plant and equipment of the company or in the policy regarding their use.

At 28 February 2018 the company's investment in property, plant and equipment amounted to R453 021, of which R430 192 was added in the current year through additions.

6. Events after the reporting period

The director is not aware of any material event which occurred after the reporting date and up to the date of this report.

7. Going concern

The director believes that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The director has satisfied herself that the company is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The director is not aware of any new material changes that may adversely impact the company. The director is also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company.

Lime Loans South Africa Proprietary Limited

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Annual Financial Statements for the year ended 28 February 2018

Statement of Financial Position as at 28 February 2018

| | Note(s) | 2018 R | 2017 R |
|-------------------------------------|---------|------------------|------------------|
| Assets | | | |
| Non-Current Assets | | | |
| Property, plant and equipment | 2 | 453 021 | 51 577 |
| Current Assets | | | |
| Trade and other receivables | 3 | 2 701 473 | 733 688 |
| Cash and cash equivalents | 4 | 1 200 635 | 253 835 |
| Total Assets | | 3 902 108 | 987 523 |
| | | 4 355 129 | 1 039 100 |
| Equity and Liabilities | | | |
| Equity | | | |
| Share capital | | 1 000 | 1 000 |
| Accumulated loss | 5 | (193 889) | (615 078) |
| | | (192 889) | (614 078) |
| Liabilities | | | |
| Non-Current Liabilities | | | |
| Loan from shareholder | 6 | 4 119 229 | 1 651 933 |
| Instalment sale agreement | 7 | 370 488 | - |
| | | 4 489 717 | 1 651 933 |
| Current Liabilities | | | |
| Trade and other payables | | 58 301 | 1 245 |
| Total Liabilities | 8 | 4 548 018 | 1 653 178 |
| Total Equity and Liabilities | | 4 355 129 | 1 039 100 |

Lime Loans South Africa Proprietary Limited

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Annual Financial Statements for the year ended 28 February 2018

Statement of Comprehensive Income

| | Note(s) | 2018 R | 2017 R |
|-----------------------------------|---------|------------------|------------------|
| Revenue | | | |
| Cost of sales | 9 | 2 598 639 | 572 136 |
| Gross profit | 10 | (738 226) | (204 873) |
| Operating expenses | | 1 860 413 | 367 263 |
| Operating profit (loss) | | (1 439 224) | (982 166) |
| Finance costs | 11 | 421 189 | (614 903) |
| Profit (loss) for the year | 12 | - | (175) |
| | | 421 189 | (615 078) |

Lime Loans South Africa Proprietary Limited

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Annual Financial Statements for the year ended 28 February 2018

Statement of Changes in Equity

| | Share capital | Accumulated loss | Total equity |
|------------------------------------|---------------|---------------------|--------------|
| | R | R | R |
| Loss for the year | - | (615 078) | (615 078) |
| Issue of shares | 1 000 | - | 1 000 |
| Total changes | 1 000 | - | 1 000 |
| Balance at 01 March 2017 | 1 000 | (615 078) | (614 078) |
| Profit for the year | - | 421 189 | 421 189 |
| Balance at 28 February 2018 | 1 000 | (193 889) | (192 889) |

Note(s)

5

Lime Loans South Africa Proprietary Limited

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Annual Financial Statements for the year ended 28 February 2018

Statement of Cash Flows

| | Note(s) | 2018 R | 2017 R |
|---|---------|--------------------|--------------------|
| Cash flows from operating activities | | | |
| Cash used in operations | 14 | (1 460 792) | (1 334 999) |
| Finance costs | | - | (175) |
| Net cash from operating activities | | (1 460 792) | (1 335 174) |
| Cash flows from investing activities | | | |
| Purchase of property, plant and equipment | 2 | (430 192) | (63 924) |
| Cash flows from financing activities | | | |
| Proceeds on share issue | 5 | - | 1 000 |
| Repayment of shareholder's loan | | 2 467 296 | 1 651 933 |
| Instalment sale agreement | | 370 488 | - |
| Net cash from financing activities | | 2 837 784 | 1 652 933 |
| Total cash movement for the year | | 946 800 | 253 835 |
| Cash at the beginning of the year | | 253 835 | - |
| Total cash at end of the year | 4 | 1 200 635 | 253 835 |

Lime Loans South Africa Proprietary Limited

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Annual Financial Statements for the year ended 28 February 2018

Accounting Policies

1. Presentation of annual financial statements

The annual financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Companies Act 71 of 2008. The annual financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below. They are presented in South African Rands.

1.1 Property, plant and equipment

Property, plant and equipment is carried at cost less accumulated depreciation and accumulated impairment losses.

Cost include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

Depreciation is provided using the straight-line method to write down the cost, less estimated residual value over the useful life of the property, plant and equipment as follows:

| Item | Depreciation method | Average useful life |
|------------------------|---------------------|---------------------|
| Furniture and fixtures | Straight line | 6 Years |
| Motor vehicles | Straight line | 5 Years |
| IT equipment | Straight line | 3 Years |

If the major components of an item of property, plant and equipment have significantly different patterns of consumption of economic benefits, the cost of the asset is allocated to its major components and each such component is depreciated separately over its useful life.

The residual value, depreciation method and useful life of each asset are reviewed only where there is an indication that there has been a significant change from the previous estimate.

1.2 Financial instruments

Initial measurement

Financial instruments are initially measured at the transaction price (including transaction costs except in the initial measurement of financial assets and liabilities that are measured at fair value through profit or loss) unless the arrangement constitutes, in effect, a financing transaction in which case it is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial instruments at amortised cost

These include loans, trade receivables and trade payables. Those debt instruments which meet the criteria in section 11.8(b) of the standard, are subsequently measured at amortised cost using the effective interest method. Debt instruments which are classified as current assets or current liabilities are measured at the undiscounted amount of the cash expected to be received or paid, unless the arrangement effectively constitutes a financing transaction.

At each reporting date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If there is objective evidence, the recoverable amount is estimated and compared with the carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

1.3 Tax

1.4 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership to the lessee. All other leases are operating leases.

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Annual Financial Statements for the year ended 28 February 2018

Accounting Policies

1.4 Leases (continued)

Finance leases – lessee

Finance leases are recognised as assets and liabilities at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments.

The lease payments are apportioned between the finance charge and the reduction of the outstanding liability using the effective interest method.

Operating leases – lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term unless:

- another systematic basis is representative of the time pattern of the benefit from the leased asset, even if the payments are not on that basis, or
- the payments are structured to increase in line with expected general inflation (based on published indexes or statistics) to compensate for the lessor's expected inflationary cost increases.

Any contingent rents are expensed in the period they are incurred.

1.5 Impairment of assets

The company assesses at each reporting date whether there is any indication that property, plant and equipment may be impaired.

If there is any such indication, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (or group of assets) in prior years. A reversal of impairment is recognised immediately in profit or loss.

1.6 Share capital and equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

1.7 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as leave pay and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

1.8 Revenue

Revenue is recognised to the extent that the company has transferred the significant risks and rewards of ownership of goods to the buyer, or has rendered services under an agreement provided the amount of revenue can be measured reliably and it is probable that economic benefits associated with the transaction will flow to the company. Revenue is measured at the fair value of the consideration received or receivable, excluding sales taxes and discounts.

Interest is recognised, in profit or loss, using the effective interest rate method.

1.9 Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

Lime Loans South Africa Proprietary Limited

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Annual Financial Statements for the year ended 28 February 2018

Notes to the Annual Financial Statements

| | 2018 R | 2017 R |
|--|-----------|-----------|
|--|-----------|-----------|

2. Property, plant and equipment

| | 2018 | | | 2017 | | |
|------------------------|----------------|--------------------------|----------------|---------------|--------------------------|----------------|
| | Cost | Accumulated depreciation | Carrying value | Cost | Accumulated depreciation | Carrying value |
| Furniture and fixtures | 27 600 | (8 010) | 19 590 | 22 000 | (2 904) | 19 096 |
| Motor vehicles | 410 488 | (7 423) | 403 065 | - | - | - |
| IT equipment | 56 028 | (25 662) | 30 366 | 41 924 | (9 443) | 32 481 |
| Total | 494 116 | (41 095) | 453 021 | 63 924 | (12 347) | 51 577 |

Reconciliation of property, plant and equipment - 2018

| | Opening balance | Additions | Depreciation | Total |
|------------------------|-----------------|----------------|-----------------|----------------|
| Furniture and fixtures | 19 096 | 5 600 | (5 106) | 19 590 |
| Motor vehicles | - | 410 488 | (7 423) | 403 065 |
| IT equipment | 32 481 | 14 104 | (16 219) | 30 366 |
| | 51 577 | 430 192 | (28 748) | 453 021 |

Reconciliation of property, plant and equipment - 2017

| | Opening balance | Additions | Depreciation | Total |
|------------------------|-----------------|---------------|-----------------|---------------|
| Furniture and fixtures | - | 22 000 | (2 904) | 19 096 |
| IT equipment | - | 41 924 | (9 443) | 32 481 |
| | - | 63 924 | (12 347) | 51 577 |

3. Trade and other receivables

| | | |
|----------------|------------------|----------------|
| Customer loans | 2 674 028 | 733 688 |
| Deposits | 27 445 | - |
| | 2 701 473 | 733 688 |

4. Cash and cash equivalents

Cash and cash equivalents consist of:

| | | |
|---------------|-----------|---------|
| Bank balances | 1 200 635 | 253 835 |
|---------------|-----------|---------|

5. Share capital

Authorised

1000 Ordinary no par value shares

| | |
|-------|-------|
| 1 000 | 1 000 |
|-------|-------|

Issued

Ordinary no par value

| | |
|-------|-------|
| 1 000 | 1 000 |
|-------|-------|

Lime Loans South Africa Proprietary Limited

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Annual Financial Statements for the year ended 28 February 2018

Notes to the Annual Financial Statements

| | 2018 R | 2017 R |
|------------------------------------|-------------|-------------|
| 6. Loan from shareholder | | |
| Lime Capital Partners Incorporated | (4 119 229) | (1 651 933) |

Unsecured, interest free loan with no fixed terms of repayment. The shareholder has resolved that the loan will not be due and payable within the following 12 month period. These terms will be revised annually by the shareholder.

7. Instalment sale agreement

Minimum payments which fall due

- within one year
- in second to fifth year inclusive
- later than five years

| | |
|----------------|----------|
| 61 748 | - |
| 246 992 | - |
| 61 748 | - |
| 370 488 | - |

It is company policy to acquire motor vehicles under instalment sale agreements.

Interest rates are linked to prime at the contract date. All instalment sale agreements have fixed repayments.

The company's obligations under instalment sale agreements are secured by the acquired assets. Refer note 2.

8. Trade and other payables

Trade payables
VAT
Other accrued expenses

| | |
|---------------|--------------|
| 30 | - |
| 58 271 | 595 |
| - | 650 |
| 58 301 | 1 245 |

9. Revenue

Originating and other fees
Finance revenue

| | |
|------------------|----------------|
| 2 234 439 | 487 280 |
| 364 200 | 84 856 |
| 2 598 639 | 572 136 |

10. Cost of sales

Rendering of services
Direct scoring costs

| | |
|---------|---------|
| 738 226 | 204 873 |
|---------|---------|

11. Operating profit (loss)

Operating profit (loss) for the year is stated after accounting for the following:

Operating lease charges

Premises

* Contractual amounts

| | |
|---------|--------|
| 112 899 | 76 277 |
|---------|--------|

Depreciation on property, plant and equipment
Employee costs

| | |
|----------------|----------------|
| 28 748 | 12 347 |
| 821 862 | 520 836 |

Lime Loans South Africa Proprietary Limited

(Registration number 2015/239349/07)

Annual Financial Statements for the year ended 28 February 2018

Notes to the Annual Financial Statements

| | 2018 R | 2017 R |
|--|------------------------------------|--------------------|
| 12. Finance costs | | |
| Financial institutions | | 175 |
| 13. Taxation | | |
| No provision has been made for 2018 tax as the company has no taxable income. The estimated tax loss available for set off against future taxable income is R 187 620. | | |
| 14. Cash used in operations | | |
| Profit (loss) before taxation | | |
| Adjustments for: | 421 189 | (615 078) |
| Depreciation | | |
| Finance costs | 28 748 | 12 347 |
| Changes in working capital: | - | 175 |
| Trade and other receivables | | |
| Trade and other payables | (1 967 785) | (733 688) |
| | 57 056 | 1 245 |
| | <u>(1 460 792)</u> | <u>(1 334 999)</u> |
| 15. Related parties | | |
| Relationships | | |
| Holding company | | |
| | Lime Capital Partners Incorporated | |
| Related party balances and transactions with entities with control, joint control or significant influence over the company | | |
| Related party balances | | |
| Loan accounts - Owing (to) by related parties | | |
| Lime Capital Partners Incorporated | (4 119 229) | (1 651 933) |
| 16. Director's remuneration | | |
| Executive | | |
| 2018 | | |
| CTM Tembo | Emoluments 409 310 | Total 409 310 |
| 2017 | | |
| CTM Tembo | Emoluments 286 484 | Total 286 484 |

Lime Loans South Africa Proprietary Limited

(Registration number 2015/239349/07)

Annual Financial Statements for the year ended 28 February 2018

Detailed Income Statement

| | Note(s) | 2018 R | 2017 R |
|-----------------------------------|---------|--------------------|------------------|
| Revenue | | | |
| Originating and other fees | | | |
| Finance revenue | | 2 234 439 | 487 280 |
| | | 364 200 | 84 856 |
| | 9 | 2 598 639 | 572 136 |
| Cost of sales | | | |
| Direct scoring costs | | (738 226) | (204 873) |
| Gross profit | | 1 860 413 | 367 263 |
| Operating expenses | | | |
| Accounting fees | | (47 800) | (24 000) |
| Advertising | | (247 399) | (201 228) |
| Bad debts | | (6 162) | (464) |
| Bank charges | | (17 329) | (13 153) |
| Commission paid | | (3 745) | (42 777) |
| Computer expenses | | (38 923) | (8 644) |
| Depreciation | | (28 748) | (12 347) |
| Employee costs | | (821 862) | (520 836) |
| Entertainment | | (268) | - |
| Fines and penalties | | (5 862) | (407) |
| General expenses | | (9 345) | (6 558) |
| Insurance | | (3 074) | - |
| Lease rentals on operating lease | | (112 899) | (76 277) |
| Legal expenses | | (23 889) | (44 872) |
| Motor vehicle expenses | | (7 908) | (1 060) |
| Postage | | (1 270) | (836) |
| Printing and stationery | | (5 081) | (2 615) |
| Repairs and maintenance | | (14 405) | - |
| Secretarial fees | | (330) | (130) |
| Security | | - | (1 774) |
| Staff welfare | | (2 427) | (2 424) |
| Subscriptions | | - | (1 000) |
| Telephone and fax | | (27 109) | (20 729) |
| Training | | (534) | - |
| Travel - local | | (12 855) | (35) |
| | | (1 439 224) | (982 166) |
| Operating profit (loss) | | 421 189 | (614 903) |
| Finance costs | 11 | - | (175) |
| Profit (loss) for the year | 12 | 421 189 | (615 078) |

Lime Loans South Africa Proprietary Limited

(Taxpayer reference number 9925/879/15/8)

(Registration number 2015/239349/07)

Annual Financial Statements for the year ended 28 February 2018

Tax Computation

| | 2018 R |
|--|------------------|
| Net loss per statement of comprehensive income | 421 189 |
| Permanent differences (Non-deductible/Non taxable items) | |
| Fines & penalties | 5 862 |
| Calculated tax profit for the year | <u>427 051</u> |
| Assessed loss brought forward | <u>(614 671)</u> |
| Assessed loss for 2018 - carried forward | <u>(187 620)</u> |
| Tax thereon @ 28% in the Rand | <u>-</u> |