

**BAYPORT MANAGEMENT LTD**  
*(Registration number 54787 C1/GBL)*

**UNAUDITED CONDENSED CONSOLIDATED  
FINANCIAL STATEMENTS**

*for the six months ended 30 September 2014*



**BAYPORT MANAGEMENT LTD**  
**UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

*For the six months ended 30 September 2014*

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

Figures in US Dollar	Notes	30-Sep-14	31-Mar-14
<b>Assets</b>			
Cash and cash equivalents		69 240 754	91 404 689
Net advances	6	939 626 212	912 828 849
Trade and other receivables		37 033 287	32 188 391
Inventories		1 472 096	4 318 402
Goodwill		49 325 163	52 413 947
Deferred tax assets		15 426 720	13 355 750
Current tax receivable		6 114 195	3 535 338
Property, plant and equipment	5	11 274 055	11 909 542
Intangible assets		1 109 825	1 488 989
<b>Total assets</b>		<b>1 130 622 307</b>	<b>1 123 443 897</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Stated capital	7	151 665 683	151 415 680
Reserves		(52 033 482)	(35 776 537)
Retained earnings		137 182 132	93 273 747
Equity attributable to equity holders of the company		236 814 333	208 912 890
Non-controlling interests		13 824 933	14 294 263
<b>Total equity</b>		<b>250 639 266</b>	<b>223 207 153</b>
<b>Liabilities</b>			
Finance lease obligation		980 079	630 546
Bank overdraft		12 774 799	7 225 290
Trade and other payables		50 773 879	53 700 667
Borrowings	8	805 419 616	830 025 971
Other financial liabilities	9	1 869 363	-
Deferred tax liabilities		27 203	27 964
Current tax liabilities		8 138 102	8 626 306
<b>Total Liabilities</b>		<b>879 983 041</b>	<b>900 236 744</b>
<b>Total Equity and Liabilities</b>		<b>1 130 622 307</b>	<b>1 123 443 897</b>

**BAYPORT MANAGEMENT LTD**  
**UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

For the six months ended 30 September 2014

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND  
OTHER COMPREHENSIVE INCOME**

Figures in US Dollar	Notes	Three months ended		Six months ended	
		30-Sep-14	30-Sep-13	30-Sep-14	30-Sep-13
Interest income		74 031 511	37 885 908	146 552 165	74 382 964
Interest expense		(26 331 881)	(10 928 253)	(52 170 685)	(21 247 727)
<b>Net interest income</b>		<b>47 699 630</b>	<b>26 957 655</b>	<b>94 381 480</b>	<b>53 135 237</b>
Fees and commission income		8 298 537	1 868 838	13 777 443	3 408 935
Dividend income		6 236 904	1 087 628	13 016 241	2 410 628
Other income		3 046 597	634 567	5 796 227	1 291 711
Impairment of loans and advances		(27 155 579)	(2 412 719)	(48 143 571)	(4 504 010)
<b>Net operating income</b>		<b>38 126 089</b>	<b>28 135 969</b>	<b>78 827 820</b>	<b>55 742 501</b>
Operating expenses		(33 511 804)	(17 516 154)	(65 645 929)	(34 420 906)
Foreign exchange gain/(loss)	10	24 608 880	(9 657 050)	34 859 697	1 354 181
<b>Profit before taxation</b>		<b>29 223 165</b>	<b>962 765</b>	<b>48 041 588</b>	<b>22 675 776</b>
Taxation	3	(1 734 694)	(4 385 945)	(4 786 288)	(8 478 375)
<b>Profit/(loss) for the period</b>		<b>27 488 471</b>	<b>(3 423 180)</b>	<b>43 255 300</b>	<b>14 197 401</b>
<b>Other comprehensive (loss)/income net of income tax</b>					
<i>Items that may be reclassified subsequently to profit or loss:</i>					
Exchange differences		(14 684 966)	3 051 510	(25 226 611)	(3 920 688)
Effect of cash flow hedges		(316 868)	(316 866)	(633 735)	(4 512 729)
Net fair value (loss)/gain of available for sale investment		(1 990 722)	-	9 445 174	-
<b>Other comprehensive (loss)/income for the period</b>		<b>(16 992 556)</b>	<b>2 734 644</b>	<b>(16 415 172)</b>	<b>(8 433 417)</b>
<b>Total comprehensive income/(loss) for the period</b>		<b>10 495 915</b>	<b>(688 536)</b>	<b>26 840 128</b>	<b>5 763 984</b>
<b>Profit/(loss) for the period attributable to:</b>					
Owners of the company		27 193 424	(4 874 857)	42 799 178	12 035 190
Non-controlling interests		295 047	1 451 677	456 122	2 162 211
		<b>27 488 471</b>	<b>(3 423 180)</b>	<b>43 255 300</b>	<b>14 197 401</b>
<b>Total comprehensive income /(loss) for the period attributable to:</b>					
Owners of the company		10 461 519	(2 534 013)	27 348 056	3 800 591
Non-controlling interests		34 396	1 845 477	(507 928)	1 963 393
		<b>10 495 915</b>	<b>(688 536)</b>	<b>26 840 128</b>	<b>5 763 984</b>
<b>Earnings/(loss) per share</b>					
Basic earnings/(loss) per share		1.12	(0.30)	1.77	0.74
Diluted earnings/(loss) per share		1.12	(0.30)	1.76	0.74
Basic weighted average number of shares		24 240 825	16 287 023	24 232 470	16 287 585
Diluted weighted average number of shares		24 250 114	16 288 216	24 250 947	16 289 985

**BAYPORT MANAGEMENT LTD**  
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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

Figures in US Dollar

	Share capital	Share premium	Total stated capital	Translation reserve	Cash flow hedging reserve	Equity Settled Reserve	Other reserves	Total reserves	Retained earnings	Attributable to owners of company	Retained earnings attributable to non-controlling interests	Other reserves attributable to non-controlling interests	Total non-controlling interests	Total equity
<b>Balance at 01 April 2013</b>	16 282	10 574 227	10 590 509	(30 007 953)	8 008 056	20 036	12 799 053	(9 180 808)	73 830 159	75 239 860	15 730 696	2 243 401	17 974 097	93 213 957
Profit for the period	-	-	-	-	-	-	-	-	12 035 190	12 035 190	2 162 211	-	2 162 211	14 197 401
Transfer (to)/from reserves	-	-	-	-	-	-	811 495	811 495	(811 495)	-	(213 426)	213 426	-	-
Other comprehensive loss	-	-	-	(3 721 870)	(4 512 729)	-	-	(8 234 599)	-	(8 234 599)	(198 818)	-	(198 818)	(8 433 417)
<b>Total comprehensive (loss)/income</b>	-	-	-	<b>(3 721 870)</b>	<b>(4 512 729)</b>	-	<b>811 495</b>	<b>(7 423 104)</b>	<b>11 223 695</b>	<b>3 800 591</b>	<b>1 749 967</b>	<b>213 426</b>	<b>1 963 393</b>	<b>5 763 984</b>
Issue of shares	19	199 888	199 907	-	-	-	-	-	-	199 907	-	-	-	199 907
Recognition of share based payments	-	-	-	-	-	120 216	-	120 216	-	120 216	-	-	-	120 216
<b>Balance at 30 September 2013</b>	<b>16 301</b>	<b>10 774 115</b>	<b>10 790 416</b>	<b>(33 729 823)</b>	<b>3 495 327</b>	<b>140 252</b>	<b>13 610 548</b>	<b>(16 483 696)</b>	<b>85 053 854</b>	<b>79 360 574</b>	<b>17 480 663</b>	<b>2 456 827</b>	<b>19 937 490</b>	<b>99 298 064</b>
<b>Balance at 01 April 2014</b>	<b>24 227</b>	<b>151 391 453</b>	<b>151 415 680</b>	<b>(67 402 163)</b>	<b>2 861 592</b>	<b>240 696</b>	<b>28 523 338</b>	<b>(35 776 537)</b>	<b>93 273 747</b>	<b>208 912 890</b>	<b>11 890 506</b>	<b>2 403 757</b>	<b>14 294 263</b>	<b>223 207 153</b>
Profit for the period	-	-	-	-	-	-	-	-	42 799 178	42 799 178	456 122	-	456 122	43 255 300
Transfer (to)/from reserves	-	-	-	-	-	-	(1 109 207)	(1 109 207)	1 109 207	-	(27 146)	27 146	-	-
Other comprehensive (loss)/income	-	-	-	(24 262 562)	(633 735)	-	9 445 174	(15 451 123)	-	(15 451 123)	(964 049)	-	(964 049)	(16 415 172)
<b>Total comprehensive (loss)/income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(24 262 562)</b>	<b>(633 735)</b>	<b>-</b>	<b>8 335 967</b>	<b>(16 560 330)</b>	<b>43 908 385</b>	<b>27 348 055</b>	<b>(535 073)</b>	<b>27 146</b>	<b>(507 927)</b>	<b>26 840 128</b>
Issue of shares	14	249 989	250 003	-	-	-	-	-	-	250 003	-	-	-	250 003
Recognition of share based payments	-	-	-	-	-	303 385	-	303 385	-	303 385	-	-	-	303 385
Change in ownership interest	-	-	-	-	-	-	-	-	-	-	38 597	-	38 597	38 597
<b>Balance at 30 September 2014</b>	<b>24 241</b>	<b>151 641 442</b>	<b>151 665 683</b>	<b>(91 664 725)</b>	<b>2 227 857</b>	<b>544 081</b>	<b>36 859 305</b>	<b>(52 033 482)</b>	<b>137 182 132</b>	<b>236 814 333</b>	<b>11 394 030</b>	<b>2 430 903</b>	<b>13 824 933</b>	<b>250 639 266</b>

**BAYPORT MANAGEMENT LTD**  
**UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

For the six months ended 30 September 2014

**UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS**

Figures in US Dollar	Six months ended	
	30-Sep-14	30-Sep-13
<b>Cash flows from operating activities</b>		
Profit before taxation	48 041 588	22 675 776
<b>Adjustments for:</b>		
Depreciation and amortisation	2 607 986	1 360 658
Profit on disposal of property, equipment and intangible assets	(32 662)	(40 835)
Foreign currency gains	(35 156 498)	(2 081 379)
Finance costs	52 170 685	21 247 727
Dividend receivable	(13 016 241)	(1 087 628)
Increase in provision for credit impairment	27 663 117	4 385 845
Expense recognised in respect of share based payments	303 385	120 216
<b>Operating cash flows before movements in working capital</b>	<b>82 581 360</b>	<b>46 580 380</b>
<b>Changes in working capital:</b>		
Decrease in inventories	2 714 889	-
Increase in trade and other receivables	(8 367 345)	(5 331 037)
Increase in gross advances	(94 515 587)	(61 359 497)
Increase in trade and other payables	2 252 154	3 490 956
<b>Cash used in operations</b>	<b>(15 334 529)</b>	<b>(16 619 198)</b>
Dividend received	12 756 102	1 323 000
Finance costs	(55 442 147)	(20 939 639)
Tax paid	(8 032 924)	(9 825 019)
<b>Net cash used in operating activities</b>	<b>(66 053 498)</b>	<b>(46 060 856)</b>
<b>Cash flows from investing activities</b>		
Proceeds on disposal of property, equipment and intangible assets	108 056	62 456
Purchase of property, equipment and intangible assets	(2 285 171)	(1 983 002)
Proceeds from issue of shares to non-controlling interests	38 507	-
<b>Net cash used in investing activities</b>	<b>(2 138 608)</b>	<b>(1 920 546)</b>
<b>Cash flows from financing activities</b>		
Proceeds on issue of bonds	31 642 398	99 682 132
Proceeds from issue of shares	250 003	-
Net increase in other borrowings	11 119 835	17 882 375
Proceeds from unwinding of cross currency swaps	-	25 080 000
Proceeds from share issue under share incentive scheme	-	199 907
Net increase in loan receivable under share incentive scheme	(68 308)	(20 876)
<b>Net cash generated from financing activities</b>	<b>42 943 928</b>	<b>142 823 538</b>
<b>Net (decrease)/ increase in cash and cash equivalents</b>	<b>(25 248 178)</b>	<b>94 842 136</b>
Net cash and cash equivalents at the beginning of the period	84 179 399	19 380 760
Effect of foreign exchange rate changes	(2 465 266)	74 710
<b>Total cash and cash equivalents at the end of the period</b>	<b>56 465 955</b>	<b>114 297 606</b>

## **NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

### **1. Background**

Bayport Management Ltd (the "Company") is incorporated in Mauritius and listed on the Stock Exchange of Mauritius. The Company is the holding company for the following entities whose operations are based in Africa, South America and the United Kingdom:

<b>Name of subsidiaries</b>	<b>Place of incorporation</b>
Bayport Financial Services Limited	Zambia
Bayport Financial Services Ghana Limited	Ghana
Bayport Financial Services Uganda Limited	Uganda
Bayport Financial Services (T) Limited	Tanzania
Consumer Finance Corporation Limited	Ghana
Money Quest Investments (Proprietary) Limited	Botswana
Bayport FIMSA S.A.S	Colombia
Libraval S.A.S (i)	Colombia
Bayport Financial Services 2010 Proprietary Limited	South Africa
Zenthyme Investments Proprietary Limited	South Africa
Bayport Securitisation (RF) Limited (ii)	South Africa
M-Stores Proprietary Limited (ii)	South Africa
BayMobile Proprietary Limited (ii)	South Africa
Bayport Financial Services Mozambique (MCB) S.A	Mozambique
Actvest Mexico SAPI de CV, SOFOM, ENR (iii)	Mexico
Bayport Financial Services Rwanda SARL (Dormant)	Rwanda
Cashfoundry Limited	United Kingdom
Actvest Limited	Mauritius
Bayport Latin America Holdings Ltd	Mauritius

The Company's registered office is at DTOS Ltd, 10th Floor, Raffles Tower, 19, Cybercity, Ebene, Mauritius and the Company's principal place of business is at 3rd Floor, Ebene Skies, Rue De L'Institut, Ebene, Mauritius.

The Company is a holding company to businesses involved in provision of retail financial services.

- (i) Actvest Limited (a fully owned subsidiary of Bayport Management Limited) owns 82.91 % of the ordinary shares in Libraval S.A.S.
- (ii) Bayport Financial Services 2010 Proprietary Limited owns 95% of M-Stores Proprietary Limited, 100% of BayMobile Proprietary Limited and 100% of the preference shares of Bayport Securitisation (RF) Limited.
- (iii) Bayport Management Ltd effectively owns 100% of Actvest Mexico SAPI de CV, SOFOM, ENR.

## **NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)**

Figures in US Dollar

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### **2. Basis of preparation**

#### **2.1 Statement of compliance**

The unaudited condensed consolidated financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRSs") and in accordance with International Accounting Standard (IAS) 34 Interim Financial Reporting.

#### **2.2 Significant accounting policies**

The unaudited condensed consolidated financial statements have been prepared under the historical cost convention, except for the measurement of certain non-current assets and financial instruments at fair value.

The same accounting policies and methods of computation are followed in these condensed consolidated financial statements as were applied in the preparation of the Group's audited consolidated financial statements for the year ended 31 March 2014.

#### **2.3 Functional and presentation currency**

For the purpose of presenting unaudited condensed consolidated financial statements, the assets and liabilities of the Group's foreign operations are expressed in United States Dollars using exchange rates prevailing at reporting date. Income and expenditure are translated at average rates of exchange for the period.

### **3. Taxation**

Interim period income tax is accrued based on actual annual effective income tax rates for each entity within the Group.

### **4. Dividends**

During the six months ended 30 September 2014, no dividends were paid or declared.

### **5. Property, plant and equipment**

During the period, the Group spent USD 2.3million on office equipment, furniture and fittings, computer equipment, motor vehicles, leasehold improvements and intangible assets.

**NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**(continued)**

Figures in US Dollar

**6. Net advances**

	<b>30-Sep-14</b>	<b>31-Mar-14</b>
Gross advances	1 099 756 088	1 058 684 436
Carrying value of written off book	18 515 530	16 555 753
	<u>1 118 271 618</u>	<u>1 075 240 189</u>
Impairment provision	(178 645 406)	(162 411 340)
<b>Net advances</b>	<b>939 626 212</b>	<b>912 828 849</b>
<b>Gross advances</b>		
Advances to customers	1 041 028 029	1 008 967 094
Deferred origination fees	(14 847 523)	(13 056 522)
Deferred origination costs	8 518 690	6 717 631
Carrying value of net premiums	65 056 892	56 056 233
	<u><b>1 099 756 088</b></u>	<u><b>1 058 684 436</b></u>
<b>Impairment provision</b>		
Balance at the beginning of the period	162 411 340	8 634 524
Additions through business combinations	-	147 571 944
Net impairment recognised in profit or loss	48 143 571	25 683 229
Utilisation of allowance for impairment	(20 480 454)	(17 139 214)
Foreign exchange differences	(11 429 051)	(2 339 143)
<b>Total impairment provision</b>	<u><b>178 645 406</b></u>	<u><b>162 411 340</b></u>

**7. Stated capital**

	<b>30-Sep-14</b>	<b>31-Mar-14</b>
Share capital	24 241	24 227
Share premium	151 641 442	151 391 453
	<u><b>151 665 683</b></u>	<u><b>151 415 680</b></u>

	<b>Number of shares</b>	<b>Share Capital</b>	<b>Share premium</b>	<b>Total stated capital</b>
Balance at 1 April 2014	24 226 772	24 227	151 391 453	151 415 680
Issue of shares	14 053	14	249 989	250 003
<b>Balance at 30 September 2014</b>	<u><b>24 240 825</b></u>	<u><b>24 241</b></u>	<u><b>151 641 442</b></u>	<u><b>151 665 683</b></u>



**NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**(continued)**

Figures in US Dollar

**8. Borrowings**

	<u>30-Sep-14</u>	<u>31-Mar-14</u>
Corporate Bonds	339 466 889	316 826 595
Loan notes	320 593 832	365 218 600
Other terms loans	145 358 895	147 980 776
	<b>805 419 616</b>	<b>830 025 971</b>

**Loan notes**

The loan notes are issued by Bayport Securitisation (RF) Limited ("BSL"). BSL is considered a special purpose entity under IFRS and is consolidated into the Group's results.

**9. Other financial liabilities**

	<u>30-Sep-14</u>		<u>31-Mar-14</u>	
	<b>Assets</b>	<b>Liabilities</b>	<b>Assets</b>	<b>Liabilities</b>
Cash flow hedge	-	<b>1 869 363</b>	-	-

In September 2014, the Company entered into a forward foreign exchange contract to purchase SEK639million in September 2015 at the forward exchange rate of 7.10. The contract has been entered with a view of hedging its exposure to movements in SEK/USD exchange rate relating to its Bond liabilities denominated in Swedish Krona.

A further contract of SEK689million was entered into in October 2014 (after the reporting period) with maturity date of October 2015 and forward rate of 7.25.

**10. Foreign currency gain/(loss)**

	<u>Three months ended</u>		<u>Six months ended</u>	
	<u>30-Sep-14</u>	<u>30-Sep-13</u>	<u>30-Sep-14</u>	<u>30-Sep-13</u>
Foreign exchange gain/(loss) on retranslation of Bonds	24 590 270	(8 915 105)	35 340 396	2 697 950
Other exchange gain/(loss)	18 610	(741 945)	(480 699)	(1 343 769)
	<b>24 608 880</b>	<b>(9 657 050)</b>	<b>34 859 697</b>	<b>1 354 181</b>

*The above unaudited condensed Financial Statements are issued pursuant to Listing Rules 12.20 of the Stock Exchange of Mauritius Ltd, the Securities Act 2005 of Mauritius and Listing Rule 3.2 (Fixed Income Instrument) of the NASDAQ OMX Stockholm Stock Exchange.*

*The Board of Directors of Bayport Management Ltd accepts full responsibility for the accuracy of the information contained in this unaudited condensed Financial Statements.*