

BAYPORT SECURITISATION (RF) LTD

INVESTOR REPORT

SEPTEMBER 2015

*your future now*

**BAYPORT**  
FINANCIAL SERVICES

## Monthly Investor Report

### Financial statistics for the period ended September 2015

|  |        | Sep 15           | Aug 15    | Jul 15    | Jun 15    | May 15    | Apr 15    | Mar 15    | Feb 15    | Jan 15    | Dec 14    | Nov 14    | Oct 14    |
|--|--------|------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| <b>Performance ratios *</b>                                  |        |                  |           |           |           |           |           |           |           |           |           |           |           |
| Total income as a % of ave gross loans and advances          | %      | <b>25.3%</b>     | 25.3%     | 25.5%     | 25.6%     | 26.0%     | 26.2%     | 26.3%     | 26.4%     | 26.5%     | 26.2%     | 26.0%     | 26.2%     |
| Direct and indirect expenses to ave gross loans and advances | %      | <b>8.7%</b>      | 8.5%      | 8.3%      | 8.1%      | 8.0%      | 7.9%      | 7.8%      | 7.7%      | 7.5%      | 7.4%      | 7.4%      | 7.5%      |
| Direct and indirect expenses to total income                 | %      | <b>34.2%</b>     | 33.5%     | 32.6%     | 31.8%     | 30.8%     | 30.2%     | 29.8%     | 29.2%     | 28.5%     | 28.1%     | 28.6%     | 28.7%     |
| Return on assets**   | %      | <b>(3.0%)</b>    | (3.1%)    | (3.5%)    | (3.9%)    | (5.8%)    | (5.7%)    | (6.1%)    | (6.8%)    | (7.0%)    | (6.9%)    | (4.7%)    | (4.5%)    |
| Gearing ratio  | times  | <b>3.5</b>       | 3.5       | 3.5       | 3.5       | 3.5       | 3.4       | 3.4       | 3.3       | 3.3       | 3.3       | 3.2       | 3.2       |
| Interest margin  | %      | <b>14.8%</b>     | 14.8%     | 14.9%     | 15.0%     | 15.3%     | 15.5%     | 15.5%     | 15.7%     | 15.8%     | 15.6%     | 14.9%     | 15.1%     |
| <b>Asset and credit quality ratios</b>                       |        |                  |           |           |           |           |           |           |           |           |           |           |           |
| Gross loans and advances                                     | R '000 | <b>4,730,631</b> | 4,676,739 | 4,649,955 | 4,641,364 | 4,680,271 | 4,696,404 | 4,734,663 | 4,838,514 | 4,869,275 | 4,884,909 | 6,277,460 | 6,275,838 |
| Non-Performing Loans ("NPLs")                                | R '000 | <b>1,205,930</b> | 1,211,280 | 1,118,960 | 1,024,109 | 931,155   | 930,749   | 937,998   | 996,626   | 965,861   | 957,874   | 2,343,835 | 2,337,381 |
| Carrying value of written off book                           | R '000 | <b>570,087</b>   | 570,087   | 579,087   | 589,790   | 582,291   | 585,830   | 581,542   | 557,649   | 550,438   | 541,995   | 216,921   | 211,567   |
| Impairment provision   | R '000 | <b>1,805,874</b> | 1,773,232 | 1,762,670 | 1,756,094 | 1,729,147 | 1,718,578 | 1,726,438 | 1,785,477 | 1,777,308 | 1,761,308 | 1,834,656 | 1,818,040 |
| Net loans and advances                                       | R '000 | <b>3,494,844</b> | 3,473,594 | 3,466,372 | 3,475,060 | 3,533,415 | 3,563,657 | 3,589,767 | 3,610,686 | 3,642,405 | 3,665,596 | 4,659,725 | 4,669,365 |
| Non-performing loans ratio                                   | %      | <b>25.5%</b>     | 25.9%     | 24.1%     | 22.1%     | 19.9%     | 19.8%     | 19.8%     | 20.6%     | 19.8%     | 19.6%     | 37.3%     | 37.2%     |
| Provision coverage   | %      | <b>38.2%</b>     | 37.9%     | 37.9%     | 37.8%     | 36.9%     | 36.6%     | 36.5%     | 36.9%     | 36.5%     | 36.1%     | 29.2%     | 29.0%     |
| <b>Funding and cash reserves</b>                             |        |                  |           |           |           |           |           |           |           |           |           |           |           |
| Interest bearing liabilities                                 | R '000 | <b>4,605,433</b> | 4,846,984 | 4,813,077 | 4,831,241 | 4,766,215 | 4,764,239 | 4,779,344 | 4,831,522 | 4,833,197 | 4,811,287 | 4,735,721 | 4,738,435 |
| Average cost of borrowings                                   | %      | <b>10.9%</b>     | 10.8%     | 10.9%     | 10.8%     | 10.9%     | 10.8%     | 10.8%     | 10.7%     | 10.7%     | 10.8%     | 10.7%     | 10.6%     |
| Cash and cash equivalents                                    | R '000 | <b>88,740</b>    | 401,456   | 346,557   | 324,050   | 286,397   | 231,948   | 182,098   | 259,932   | 213,390   | 148,760   | 109,243   | 82,266    |

\* 12 months rolling average

\*\* The one off change in the bad and doubtful debt policy has been excluded from the return on assets ratio to ensure that it reflects normal operating performance.

## Monthly Investor Report

### Origination

|                                   |        | % change<br>MOM | Sep 15         | Aug 15  | Jul 15  | Jun 15  | May 15  | Apr 15  | Mar 15  | Feb 15  | Jan 15  | Dec 14  | Nov 14  | Oct 14  |
|-----------------------------------|--------|-----------------|----------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Disbursements                     | R '000 | 19.6%           | <b>111,994</b> | 93,613  | 91,449  | 58,436  | 68,848  | 61,519  | 75,397  | 69,334  | 69,812  | 78,794  | 85,008  | 112,377 |
| Number of new loans               |        | 17.8%           | <b>5,861</b>   | 4,977   | 5,037   | 3,362   | 3,460   | 3,043   | 3,177   | 2,919   | 2,959   | 3,473   | 3,914   | 5,199   |
| Number of loans on book           |        | 0.2%            | <b>211,445</b> | 210,940 | 212,476 | 213,323 | 215,819 | 217,842 | 224,199 | 227,928 | 234,908 | 237,304 | 310,395 | 313,932 |
| Average loan value at acquisition | Rand   | 1.6%            | <b>19,108</b>  | 18,809  | 18,156  | 17,381  | 19,898  | 20,217  | 23,732  | 23,753  | 23,593  | 22,688  | 21,719  | 21,615  |
| Average term at aquisition        | Months | 0.8%            | <b>29.2</b>    | 29.0    | 28.8    | 26.1    | 27.1    | 30.0    | 41.5    | 40.0    | 39.1    | 39.1    | 39.9    | 41.7    |

### Statistics

#### Loans and advances by geographic location

| Province           | Cellular    | Payroll     | Debit<br>order | Total       |
|--------------------|-------------|-------------|----------------|-------------|
| Eastern Cape       | 12%         | 7%          | 11%            | <b>11%</b>  |
| Free State         | 5%          | 7%          | 7%             | <b>7%</b>   |
| Gauteng            | 34%         | 50%         | 34%            | <b>34%</b>  |
| Kwazulu-Natal      | 14%         | 12%         | 15%            | <b>15%</b>  |
| Limpopo            | 5%          | 2%          | 7%             | <b>7%</b>   |
| Mpumulanga         | 7%          | 3%          | 6%             | <b>6%</b>   |
| Northern Cape      | 3%          | 2%          | 2%             | <b>2%</b>   |
| North-West         | 7%          | 4%          | 6%             | <b>6%</b>   |
| Western Cape       | 12%         | 12%         | 11%            | <b>11%</b>  |
| <b>Grand Total</b> | <b>100%</b> | <b>100%</b> | <b>100%</b>    | <b>100%</b> |

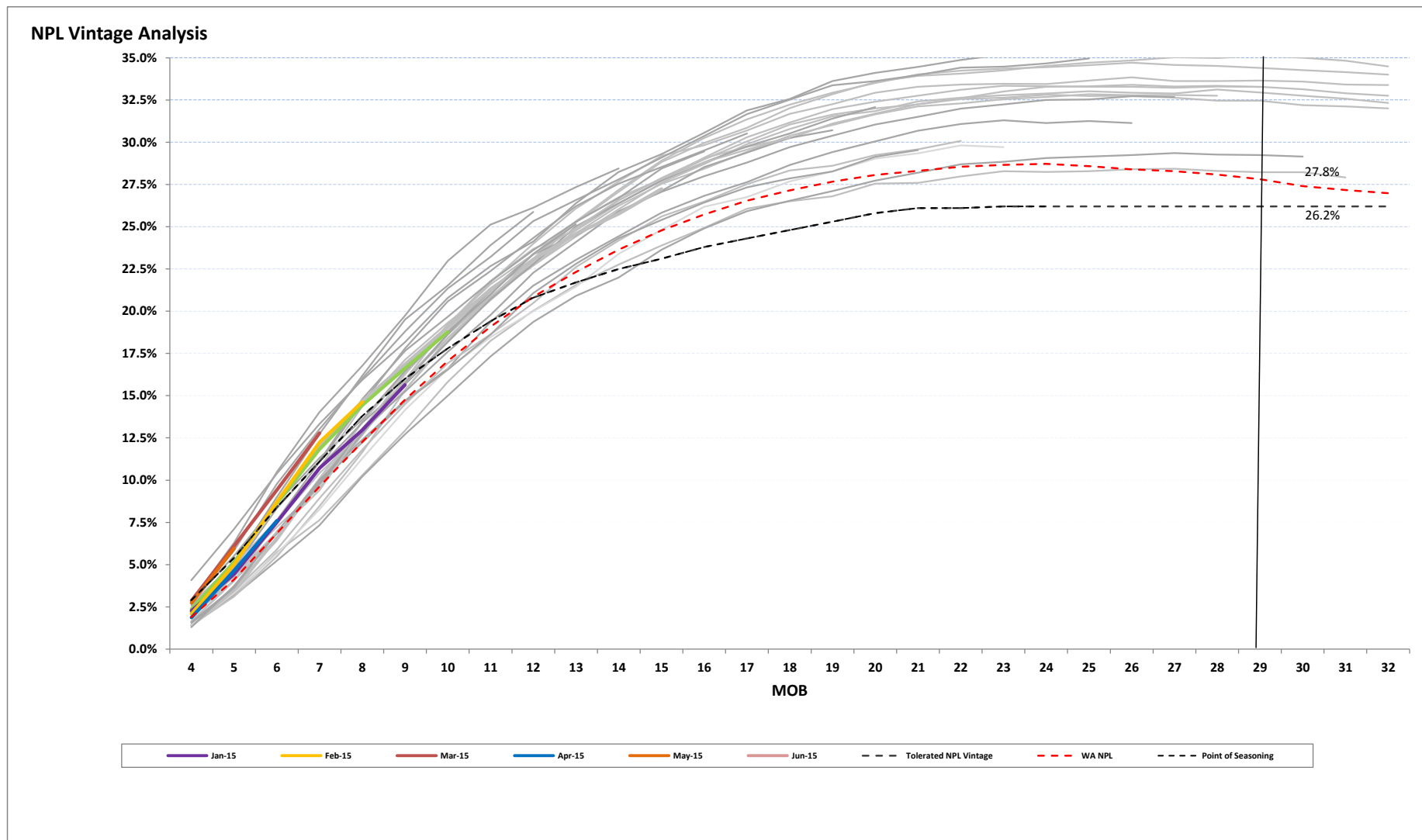
## Monthly Investor Report

### Asset quality

|                                 | % change<br>MOM | Sep 15<br>R'000  | Aug 15<br>R'000 | Jul 15<br>R'000 | Jun 15<br>R'000 | May 15<br>R'000 | Apr 15<br>R'000 | Mar 15<br>R'000 | Feb 15<br>R'000 | Jan 15<br>R'000 | Dec 14<br>R'000 | Nov 14<br>R'000 | Oct 14<br>R'000 |
|---------------------------------|-----------------|------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| <b>Gross loans and advances</b> | 1.2%            | <b>4,730,631</b> | 4,676,739       | 4,649,955       | 4,641,364       | 4,680,271       | 4,696,404       | 4,734,663       | 4,838,514       | 4,869,275       | 4,884,909       | 6,277,460       | 6,275,838       |
| Performing loans                | 1.7%            | <b>3,524,701</b> | 3,465,459       | 3,530,995       | 3,617,255       | 3,749,116       | 3,765,655       | 3,796,665       | 3,841,888       | 3,903,414       | 3,927,035       | 3,933,625       | 3,938,457       |
| Non-performing loans            | (0.4%)          | <b>1,205,930</b> | 1,211,280       | 1,118,960       | 1,024,109       | 931,155         | 930,749         | 937,998         | 996,626         | 965,861         | 957,874         | 2,343,835       | 2,337,381       |
| <b>Impairment provision</b>     |                 |                  |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| Opening balance                 | 0.6%            | <b>1,773,232</b> | 1,762,670       | 1,756,094       | 1,729,147       | 1,718,578       | 1,726,438       | 1,785,477       | 1,777,308       | 1,761,308       | 1,834,656       | 1,818,040       | 1,788,680       |
| Bad debt written-off            | (12.9%)         | <b>(42,960)</b>  | (49,320)        | (49,172)        | (56,157)        | (45,742)        | (66,485)        | (135,813)       | (45,207)        | (65,804)        | (1,456,375)     | (62,872)        | (54,212)        |
| Provision raised                | 26.3%           | <b>75,602</b>    | 59,882          | 55,748          | 83,104          | 56,311          | 58,625          | 76,774          | 53,376          | 81,804          | 1,383,027       | 79,488          | 83,572          |
| Closing balance                 | 1.8%            | <b>1,805,874</b> | 1,773,232       | 1,762,670       | 1,756,094       | 1,729,147       | 1,718,578       | 1,726,438       | 1,785,477       | 1,777,308       | 1,761,308       | 1,834,656       | 1,818,040       |

# Monthly Investor Report

## Asset quality (continued)



## Monthly Investor Report

### Asset quality (continued)

| <b>Contractual delinquency (CD) loans and advances distribution *</b> | <b>Sep 15</b>    | Aug 15    | Jul 15    | Jun 15    | May 15    | Apr 15    | Mar 15    | Feb 15    | Jan 15    | Dec 14      | Nov 14    | Oct 14    |
|---|------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-------------|-----------|-----------|
|   | <b>%</b>         | %         | %         | %         | %         | %         | %         | %         | %         | %           | %         | %         |
| 0   | <b>62.2%</b>     | 62.2%     | 63.9%     | 64.5%     | 65.8%     | 65.6%     | 64.9%     | 63.6%     | 64.1%     | 65.2%       | 53.1%     | 52.7%     |
| 1   | <b>5.1%</b>      | 4.7%      | 5.1%      | 5.6%      | 6.2%      | 6.2%      | 6.2%      | 6.6%      | 7.3%      | 6.6%        | 3.6%      | 4.3%      |
| 2   | <b>4.0%</b>      | 3.9%      | 3.7%      | 4.3%      | 4.3%      | 4.5%      | 5.0%      | 5.1%      | 4.7%      | 4.5%        | 3.0%      | 3.0%      |
| 3   | <b>3.2%</b>      | 3.3%      | 3.2%      | 3.5%      | 3.8%      | 3.9%      | 4.1%      | 4.1%      | 4.1%      | 4.1%        | 3.0%      | 2.8%      |
| 4 +   | <b>25.5%</b>     | 25.9%     | 24.1%     | 22.1%     | 19.9%     | 19.8%     | 19.8%     | 20.6%     | 19.8%     | 19.6%       | 37.3%     | 37.2%     |
| <b>Monthly loans and advances movement</b>                            |                  |           |           |           |           |           |           |           |           |             |           |           |
|   | <b>R'000</b>     | R'000     | R'000     | R'000     | R'000     | R'000     | R'000     | R'000     | R'000     | R'000       | R'000     | R'000     |
| Opening balance   | <b>4,676,739</b> | 4,649,955 | 4,641,364 | 4,680,271 | 4,696,404 | 4,734,662 | 4,838,514 | 4,869,275 | 4,884,909 | 6,277,460   | 6,275,838 | 6,237,026 |
| Disbursements   | <b>111,994</b>   | 93,613    | 91,449    | 58,436    | 68,848    | 61,519    | 75,397    | 69,334    | 69,812    | 78,794      | 85,008    | 112,377   |
| Interest and other similiar income                                    | <b>88,749</b>    | 87,060    | 89,055    | 74,253    | 86,064    | 88,137    | 90,917    | 80,325    | 111,851   | 112,263     | 112,798   | 121,817   |
| Non-interest revenue  | <b>55,226</b>    | 53,853    | 57,229    | 50,872    | 52,003    | 50,919    | 52,980    | 53,333    | 56,530    | 61,173      | 60,722    | 63,294    |
| Collections   | <b>(194,570)</b> | (187,379) | (206,888) | (186,056) | (189,300) | (190,689) | (202,268) | (194,958) | (193,521) | (196,533)   | (202,428) | (214,510) |
| Bad debt write-offs and write-backs                                   | <b>(7,507)</b>   | (20,363)  | (22,254)  | (36,412)  | (33,748)  | (48,145)  | (120,878) | (38,795)  | (60,306)  | (1,448,248) | (54,478)  | (44,166)  |
| Closing balance   | <b>4,730,631</b> | 4,676,739 | 4,649,955 | 4,641,364 | 4,680,271 | 4,696,404 | 4,734,662 | 4,838,514 | 4,869,275 | 4,884,909   | 6,277,460 | 6,275,838 |

\* Arrears instalments

## Monthly Investor Report

### Liquidity and funding

| <b>Funding</b>                            | % change<br>MOM | <b>Sep 15</b><br><b>R'000</b> | Aug 15<br>R'000 | Jul 15<br>R'000 | Jun 15<br>R'000 | May 15<br>R'000 | Apr 15<br>R'000 | Mar 15<br>R'000 | Feb 15<br>R'000 | Jan 15<br>R'000 | Dec 14<br>R'000 | Nov 14<br>R'000 | Oct 14<br>R'000 |
|---|-----------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Class A Notes (senior)                    | (13.1%)         | <b>2,108,955</b>              | 2,426,009       | 2,426,009       | 2,426,009       | 2,608,591       | 2,543,591       | 2,543,591       | 2,751,937       | 2,751,937       | 2,751,937       | 2,925,084       | 2,925,084       |
| Senior warehouse funding                  | 0.0%            | <b>235,000</b>                | 235,000         | 235,000         | 235,000         | 85,000          | 150,000         | 150,000         | -               | -               | -               | 200,000         | 200,000         |
| Class B Notes (Mezzanine)                 | (1.8%)          | <b>357,503</b>                | 364,208         | 364,208         | 364,208         | 370,696         | 370,696         | 370,696         | 376,978         | 376,978         | 376,978         | 382,994         | 382,994         |
| Other subordinated funding                | 4.5%            | <b>1,903,975</b>              | 1,821,766       | 1,787,860       | 1,806,024       | 1,701,928       | 1,699,951       | 1,715,057       | 1,702,607       | 1,704,282       | 1,682,372       | 1,227,642       | 1,230,356       |
| <b>Total interest bearing liabilities</b> | <b>(5.0%)</b>   | <b>4,605,433</b>              | 4,846,983       | 4,813,077       | 4,831,241       | 4,766,215       | 4,764,238       | 4,779,344       | 4,831,522       | 4,833,197       | 4,811,287       | 4,735,720       | 4,738,434       |
| Average cost of borrowings                | 0.4%            | <b>10.9%</b>                  | 10.8%           | 10.9%           | 10.8%           | 10.9%           | 10.8%           | 10.8%           | 10.7%           | 10.7%           | 10.8%           | 10.7%           | 10.6%           |
| Cash and cash equivalents                 | (77.9%)         | <b>88,740</b>                 | 401,456         | 346,557         | 324,050         | 286,397         | 231,948         | 182,098         | 259,932         | 213,390         | 148,760         | 109,243         | 82,266          |

## Monthly Investor Report

### Liquidity and funding (continued)

| Instrument                    | Coupon rate               | Class | Nominal amount at issue | Month end principal balance | Issue date | Maturity date |
|-------------------------------|---------------------------|-------|-------------------------|-----------------------------|------------|---------------|
| BAYA01                        | 12.550%                   | A     | 425,000,000             | 48,650,387                  | 31/03/2010 | 31/03/2016    |
| BAYA06                        | 3-month JIBAR plus 4.750% | A     | 550,000,000             | 131,360,461                 | 30/09/2010 | 30/09/2016    |
| BAYA07                        | 11.360%                   | A     | 34,000,000              | 2,137,288                   | 25/10/2010 | 31/12/2015    |
| BAYA08                        | 11.780%                   | A     | 50,000,000              | 50,000,000                  | 15/11/2010 | 31/12/2017    |
| BAYA09                        | 3-month JIBAR plus 5.000% | A     | 75,000,000              | 4,520,978                   | 06/12/2010 | 31/12/2015    |
| BAYA10                        | 3-month JIBAR plus 5.000% | A     | 40,000,000              | 2,401,257                   | 13/12/2010 | 31/12/2015    |
| BAYA11                        | 3-month JIBAR plus 5.000% | A     | 60,000,000              | 7,302,971                   | 03/01/2011 | 31/03/2016    |
| BAYA12                        | 11.005%                   | A     | 20,000,000              | 2,523,511                   | 12/01/2011 | 31/03/2016    |
| BAYA13                        | 12.070%                   | A     | 80,000,000              | 10,307,307                  | 10/03/2011 | 31/03/2016    |
| BAYA15                        | 11.530%                   | A     | 100,000,000             | 18,859,344                  | 14/06/2011 | 30/06/2016    |
| BAYA16                        | 10.380%                   | A     | 10,000,000              | 2,525,301                   | 12/10/2011 | 30/09/2016    |
| BAYA17                        | 3-month JIBAR plus 4.450% | A     | 80,000,000              | 20,084,715                  | 21/10/2011 | 30/09/2016    |
| BAYA18                        | 3-month JIBAR plus 4.450% | A     | 100,000,000             | 25,105,891                  | 30/11/2011 | 30/09/2016    |
| BAYA19                        | 3-month JIBAR plus 4.450% | A     | 135,000,000             | 40,210,579                  | 30/11/2011 | 31/12/2016    |
| BAYA23                        | 10.510%                   | A     | 300,000,000             | 123,002,110                 | 02/07/2012 | 30/06/2017    |
| BAYA24                        | 11.090%                   | A     | 95,000,000              | 95,000,000                  | 02/07/2012 | 30/06/2017    |
| BAYA25                        | 3-month JIBAR plus 4.150% | A     | 50,000,000              | 20,971,000                  | 15/08/2012 | 30/06/2017    |
| BAYA26                        | 10.225%                   | A     | 185,000,000             | 185,000,000                 | 27/09/2012 | 02/10/2017    |
| BAYA29                        | 3-month JIBAR plus 3.500% | A     | 60,000,000              | 5,213,833                   | 09/10/2012 | 31/12/2015    |
| BAYA30                        | 9.280%                    | A     | 150,000,000             | 14,131,429                  | 14/12/2012 | 31/12/2015    |
| BAYA31                        | 3-month JIBAR plus 4.300% | A     | 60,000,000              | 60,000,000                  | 14/12/2012 | 31/12/2018    |
| BAYA32                        | 10.108%                   | A     | 75,000,000              | 75,000,000                  | 28/02/2013 | 03/04/2018    |
| BAYA33                        | 3-month JIBAR plus 4.000% | A     | 15,000,000              | 15,000,000                  | 25/03/2013 | 03/04/2018    |
| BAYA34                        | 3-month JIBAR plus 4.250% | A     | 100,000,000             | 100,000,000                 | 25/03/2013 | 03/04/2018    |
| BAYA35                        | 3-month JIBAR plus 4.250% | A     | 50,000,000              | 50,000,000                  | 25/03/2013 | 03/04/2018    |
| BAYA36                        | 3-month JIBAR plus 3.880% | A     | 50,000,000              | 27,754,570                  | 02/04/2013 | 31/03/2018    |
| BAYA37                        | 3-month JIBAR plus 3.880% | A     | 100,000,000             | 100,000,000                 | 02/04/2013 | 31/03/2016    |
| BAYA39                        | 3-month JIBAR plus 4.250% | A     | 320,000,000             | 320,000,000                 | 30/09/2013 | 01/10/2018    |
| BAYA41                        | 3-month JIBAR plus 3.900% | A     | 50,000,000              | 32,627,274                  | 30/09/2013 | 30/09/2018    |
| BAYA42                        | 3-month JIBAR plus 4.250% | A     | 130,000,000             | 130,000,000                 | 30/09/2013 | 01/10/2018    |
| BAYA43                        | 3-month JIBAR plus 3.900% | A     | 150,000,000             | 74,221,245                  | 24/01/2014 | 31/03/2017    |
| BAYA44                        | 3-month JIBAR plus 3.900% | A     | 150,000,000             | 80,043,548                  | 31/03/2014 | 31/03/2017    |
| BAYA45                        | 3-month JIBAR plus 4.250% | A     | 150,000,000             | 150,000,000                 | 31/03/2014 | 01/04/2019    |
| BAYA48                        | 3-month JIBAR plus 2.500% | A     | 20,000,000              | 20,000,000                  | 31/03/2015 | 31/03/2016    |
| BYA49U                        | 3-month JIBAR plus 4.000% | A     | 65,000,000              | 65,000,000                  | 05/05/2015 | 02/07/2018    |
| <b>Subtotal Class A notes</b> |                           |       | <b>4,084,000,000</b>    | <b>2,108,954,999</b>        |            |               |
| BAYB02                        | 15.550%                   | B     | 30,000,000              | 3,675,708                   | 31/03/2010 | 31/03/2016    |
| BAYB03                        | 15.360%                   | B     | 55,000,000              | 55,000,000                  | 30/11/2011 | 31/12/2016    |
| BAYB04                        | 14.230%                   | B     | 90,000,000              | 33,826,798                  | 02/04/2012 | 31/03/2017    |
| BAYB05                        | 3-month JIBAR plus 7.500% | B     | 50,000,000              | 50,000,000                  | 15/08/2012 | 30/06/2019    |
| BAYB06                        | 3-month JIBAR plus 7.500% | B     | 30,000,000              | 30,000,000                  | 14/12/2012 | 31/12/2019    |
| BAYB07                        | 3-month JIBAR plus 7.500% | B     | 20,000,000              | 20,000,000                  | 22/02/2013 | 31/03/2020    |
| BAYB08                        | 3-month JIBAR plus 8.000% | B     | 50,000,000              | 50,000,000                  | 25/03/2013 | 30/09/2020    |
| BAYB09                        | 3-month JIBAR plus 5.750% | B     | 115,000,000             | 115,000,000                 | 24/01/2014 | 01/10/2018    |
| <b>Subtotal Class B notes</b> |                           |       | <b>440,000,000</b>      | <b>357,502,506</b>          |            |               |
| <b>Total</b>                  |                           |       | <b>4,524,000,000</b>    | <b>2,466,457,505</b>        |            |               |



## Monthly Investor Report

### Covenant compliance

|  | Current requirement | Sep 15       | Aug 15 | Jul 15 | Jun 15 | May 15 | Apr 15 | Mar 15 | Feb 15 | Jan 15 | Dec 14 | Nov 14 | Oct 14 |
|--|---------------------|--------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| <b>Financial covenants</b>                       |                     |              |        |        |        |        |        |        |        |        |        |        |        |
| Senior Debt Cash Flow Cover Ratio                | ≥ 1.50 times        | <b>1.8</b>   | 1.7    | 1.9    | 1.8    | 1.8    | 1.9    | 1.9    | 2.0    | 1.8    | 1.8    | 2.0    | 2.1    |
| Senior Debt Interest Cover Ratio                 | ≥ 3.50 times        | <b>5.8</b>   | 5.2    | 5.3    | 5.8    | 6.0    | 6.3    | 5.9    | 3.9    | 5.0    | 4.4    | 4.4    | 4.6    |
| Senior Debt to Net Qualifying Asset Value        | ≤ 72.5%             | <b>65.4%</b> | 68.7%  | 69.8%  | 70.0%  | 70.5%  | 71.0%  | 71.4%  | 71.1%  | 71.4%  | 72.1%  | 65.5%  | 65.8%  |
| Bad and Doubtful Debt Ratio                      | ≤ 17.5%             | <b>9.2%</b>  | 9.9%   | 11.2%  | 12.4%  | 12.9%  | 13.5%  | 14.4%  | 15.2%  | 15.9%  | 16.0%  | 12.4%  | 12.3%  |
| Equity invested in the Company by the Originator | > 20%               | <b>28.4%</b> | 26.2%  | 25.4%  | 25.8%  | 23.0%  | 23.0%  | 23.0%  | 22.5%  | 22.6%  | 22.1%  | 25.3%  | 25.4%  |
| Cellular Contracts as a % of the Portfolio       | ≤ 10%               | <b>3.2%</b>  | 3.4%   | 3.6%   | 3.7%   | 3.7%   | 3.8%   | 3.8%   | 5.1%   | 4.5%   | 4.4%   | 6.0%   | 6.1%   |

|  | Current requirement | Sep 15         | Aug 15  | Jul 15  | June 15 | May 15  | Apr 15  | Mar 15  | Feb 15  | Jan 15  | Dec 14  | Nov 14  | Oct 14  |
|--|---------------------|----------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| <b>Cash reserves</b>                           |                     |                |         |         |         |         |         |         |         |         |         |         |         |
| Arrears reserve                                |                     |                |         |         |         |         |         |         |         |         |         |         |         |
| Weighted NPLs as a percentage of the portfolio | ≤ 26.2%             | <b>27.8%</b>   | 27.4%   | 27.3%   | 27.3%   | 27.1%   | 27.2%   | 27.3%   | 27.3%   | 27.7%   | 27.6%   | 27.5%   | 27.1%   |
| Reserve required (R'000)                       |                     | <b>14,104</b>  | 10,674  | 9,502   | 9,588   | 7,935   | 8,716   | 9,927   | 10,241  | 13,775  | 13,259  | 15,617  | 10,326  |
| Asset performance reserve                      |                     |                |         |         |         |         |         |         |         |         |         |         |         |
| Collections Ratio                              | ≥ 80.75%            | <b>109.9%</b>  | 110.0%  | 106.7%  | 106.1%  | 105.7%  | 106.0%  | 102.8%  | 105.9%  | 109.0%  | 109.6%  | 110.2%  | 110.7%  |
| Reserve required (R'000)                       |                     | -              | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       |
|  |                     | <b>R'000</b>   | R'000   | R'000   | R'000   | R'000   | R'000   | R'000   | R'000   | R'000   | R'000   | R'000   | R'000   |
| Expected collections (6 month average)         |                     | <b>91,916</b>  | 92,479  | 94,393  | 96,858  | 99,457  | 102,105 | 106,827 | 108,413 | 111,538 | 114,723 | 116,791 | 120,193 |
| Actual receipts (6 month average)              |                     | <b>101,044</b> | 101,730 | 100,755 | 102,750 | 105,120 | 108,242 | 109,765 | 114,844 | 121,602 | 125,708 | 128,715 | 133,034 |
| Capital Redemption reserve                     |                     | -              | 108,333 | 86,667  | 65,000  | 43,333  | 21,667  | -       | 41,667  | 33,333  | 25,000  | 16,667  | 8,333   |

## Monthly Investor Report

### Glossary of terms

|                                   |   |
|-----------------------------------|---|
| <b>CD</b>                         | Contractual delinquency = accumulated arrears / contractual instalments originally due  |
| <b>MOB</b>                        | Month on book   |
| <b>MoM</b>                        | Month on Month  |
| <b>YTD</b>                        | Year to date  |
| <b>Non-performing loans</b>       | The balance outstanding of loans and advances with a contractual delinquency greater than three months excluding loans and advances with a contractual delinquency greater than three months where three consecutive receipts have been received in the three-month period preceding the measurement date |
| <b>Non-performing loans ratio</b> | Non-performing loans / Gross loans and advances   |
| <b>Provision coverage</b>         | Impairment provision / Gross loans and advances   |