

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

**UNAUDITED CONDENSED CONSOLIDATED  
FINANCIAL STATEMENTS**

*for the nine months ended 30 September 2017*



**BAYPORT MANAGEMENT LTD**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

*As at 30 September 2017*

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

<b>Figures in US Dollar</b>	<b>Notes</b>	<b>30-Sep-17</b>	<b>31-Dec-16</b>
<b>Assets</b>			
Cash and cash equivalents		124 434 848	139 967 986
Loans and advances	6	925 063 949	740 287 314
Trade and other receivables		25 407 426	20 213 279
Goodwill		91 990 618	90 405 841
Property and equipment	5	15 849 048	13 983 280
Intangible assets		24 199 279	17 640 485
Current tax assets		11 012 093	3 260 079
Deferred tax assets		45 888 180	48 551 895
<b>Total Assets</b>		<b>1 263 845 441</b>	<b>1 074 310 159</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Share capital	7	302 018 029	301 763 536
Reserves		(241 514 654)	(244 251 064)
Retained earnings		68 473 854	76 476 273
Equity attributable to equity holders of the company		128 977 229	133 988 745
Non-controlling interests		14 029 716	10 537 933
<b>Total Equity</b>		<b>143 006 945</b>	<b>144 526 678</b>
<b>Liabilities</b>			
Bank overdrafts		2 881 844	3 701 946
Deposits from customers		49 718 912	22 527 635
Trade and other payables		82 470 123	57 994 432
Other financial liabilities	8	2 873 964	4 290 211
Borrowings	9	977 898 986	837 113 550
Finance lease obligation		99 744	353 965
Current tax liabilities		4 836 967	3 748 336
Deferred tax liabilities		57 956	53 406
<b>Total Liabilities</b>		<b>1 120 838 496</b>	<b>929 783 481</b>
<b>Total Equity and Liabilities</b>		<b>1 263 845 441</b>	<b>1 074 310 159</b>

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

For the nine months ended 30 September 2017

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

Figures in US Dollar	Notes	Three months ended		Nine months ended	
		30-Sep-17	30-Sep-16	30-Sep-17	30-Sep-16
Interest and other similar income		91 243 499	71 555 061	249 521 918	207 224 738
Interest and other similar expense		(35 144 970)	(29 682 719)	(99 331 321)	(84 334 076)
<b>Net interest income</b>		<b>56 098 529</b>	<b>41 872 342</b>	<b>150 190 597</b>	<b>122 890 662</b>
Commission income		2 694 870	2 319 066	7 672 657	6 801 335
Dividend income		3 935 634	1 845 135	12 695 118	8 349 160
Other income		3 213 826	2 960 995	8 750 130	7 339 488
<b>Non-interest Income</b>		<b>9 844 330</b>	<b>7 125 196</b>	<b>29 117 905</b>	<b>22 489 983</b>
<b>Operating income</b>		<b>65 942 859</b>	<b>48 997 538</b>	<b>179 308 502</b>	<b>145 380 645</b>
Operating expenses		(39 670 442)	(33 340 891)	(110 395 577)	(93 060 423)
Foreign exchange losses other than SEK denominated debts		(879 022)	(1 181 006)	(344 893)	(341 768)
<b>Pre-provision income</b>		<b>25 393 395</b>	<b>14 475 641</b>	<b>68 568 032</b>	<b>51 978 454</b>
Impairment of loans and advances		(6 896 760)	(15 611 173)	(29 710 544)	(37 517 272)
<b>Profit/(loss) before foreign exchange on SEK denominated debts</b>		<b>18 496 635</b>	<b>(1 135 532)</b>	<b>38 857 488</b>	<b>14 461 182</b>
Net foreign exchange (losses)/gains on SEK denominated debts		(14 747 658)	2 045 119	(33 428 459)	3 177 545
<b>Profit before taxation</b>		<b>3 748 977</b>	<b>909 587</b>	<b>5 429 029</b>	<b>17 638 727</b>
Taxation	3	(6 221 372)	(3 322 670)	(16 376 577)	(12 341 061)
<b>(Loss)/profit for the period</b>		<b>(2 472 395)</b>	<b>(2 413 083)</b>	<b>(10 947 548)</b>	<b>5 297 666</b>
<b>Other comprehensive (loss)/income, net of income tax</b>					
<i>Items that may be reclassified subsequently to profit or loss:</i>					
Foreign exchange differences		(16 288 805)	8 809 808	10 792 100	23 646 066
Gain/(loss) on hedging instruments designated in hedges of the net assets of foreign operations		1 977 417	-	(9 453 674)	-
Effect of cash flow hedges		(562 850)	(956 064)	(1 788 279)	(2 074 740)
		<b>(14 874 238)</b>	<b>7 853 744</b>	<b>(449 853)</b>	<b>21 571 326</b>
<b>Items that will not be reclassified subsequently to profit or loss:</b>					
<i>Net fair value gain arising on investments in equity instruments</i>					
designated at fair value through other comprehensive income		3 018 673	976 137	8 614 054	879 558
<b>Other comprehensive (loss)/income, net of income tax</b>		<b>(11 855 565)</b>	<b>8 829 881</b>	<b>8 164 201</b>	<b>22 450 884</b>
<b>Total comprehensive (loss)/income for the period</b>		<b>(14 327 960)</b>	<b>6 416 798</b>	<b>(2 783 347)</b>	<b>27 748 550</b>
<b>(Loss)/profit for the period attributable to:</b>					
Owners of the company		(3 093 970)	(2 476 742)	(13 988 757)	4 658 350
Non-controlling interests		621 575	63 659	3 041 209	639 316
		<b>(2 472 395)</b>	<b>(2 413 083)</b>	<b>(10 947 548)</b>	<b>5 297 666</b>
<b>Total comprehensive (loss)/income for the period attributable to:</b>					
Owners of the company		(14 153 621)	6 532 968	(5 853 864)	26 735 432
Non-controlling interests		(174 339)	(116 170)	3 070 517	1 013 118
		<b>(14 327 960)</b>	<b>6 416 798</b>	<b>(2 783 347)</b>	<b>27 748 550</b>
<b>(Loss)/earnings per share</b>					
Basic (loss)/earnings per share		(0.10)	(0.08)	(0.46)	0.15
Diluted (loss)/earnings per share		(0.10)	(0.08)	(0.45)	0.15
Basic weighted average number of shares		30 741 360	30 720 108	30 741 360	30 718 751
Diluted weighted average number of shares		30 819 071	30 788 798	30 819 071	30 787 441

**BAYPORT MANAGEMENT LTD**  
**UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
*For the nine months ended 30 September 2017*

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

Figures in US Dollar

	Share capital	Share premium	Share application monies	Total stated capital	Translation reserve	Cash flow hedging reserve	Equity settled reserve	Other reserves	Total reserves	Retained earnings	Equity attributable to owners of the 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 January 2016</b>	30 701	300 547 833	199 930	300 778 464	(265 715 661)	348 054	216 142	9 534 021	(255 617 444)	132 729 018	177 890 038	8 593 597	1 229 431	9 823 028	187 713 066
Profit for the period	-	-	-	-	-	-	-	-	-	4 658 350	4 658 350	639 316	-	639 316	5 297 666
Transfer from/(to) reserves	-	-	-	-	-	-	-	3 370 252	3 370 252	(3 370 252)	-	(669 680)	669 680	-	-
Other comprehensive income/(loss)	-	-	-	-	23 272 264	(2 074 740)	-	879 558	22 077 082	-	22 077 082	373 802	-	373 802	22 450 884
<b>Total comprehensive income/(loss) for the period</b>	-	-	-	-	<b>23 272 264</b>	<b>(2 074 740)</b>	-	<b>4 249 810</b>	<b>25 447 334</b>	<b>1 288 098</b>	<b>26 735 432</b>	<b>343 438</b>	<b>669 680</b>	<b>1 013 118</b>	<b>27 748 550</b>
Issue of shares	19	199 911	(199 930)	-	-	-	-	-	-	-	-	-	-	-	-
Recognition of share based payments	-	-	-	-	-	-	350 157	-	350 157	(875 276)	(873 489)	1 090 222	-	1 090 222	350 157
Change in ownership interests	-	-	-	-	1 787	-	-	-	1 787	-	-	-	-	-	216 733
<b>Balance at 30 September 2016</b>	<b>30 720</b>	<b>300 747 744</b>	-	<b>300 778 464</b>	<b>(242 441 610)</b>	<b>(1 726 686)</b>	<b>566 299</b>	<b>13 783 831</b>	<b>(229 818 166)</b>	<b>133 141 840</b>	<b>204 102 138</b>	<b>10 027 257</b>	<b>1 899 111</b>	<b>11 926 368</b>	<b>216 028 506</b>
<b>Balance at 01 January 2017</b>	<b>30 741</b>	<b>301 125 796</b>	<b>606 999</b>	<b>301 763 536</b>	<b>(259 079 288)</b>	<b>369 004</b>	<b>304 941</b>	<b>14 154 279</b>	<b>(244 251 064)</b>	<b>76 476 273</b>	<b>133 988 745</b>	<b>8 500 903</b>	<b>2 037 030</b>	<b>10 537 933</b>	<b>144 526 678</b>
(Loss)/profit for the period	-	-	-	-	-	-	-	-	-	(13 988 757)	(13 988 757)	3 041 209	-	3 041 209	(10 947 548)
Transfer (to)/from reserves	-	-	-	-	-	-	-	(5 555 071)	(5 555 071)	5 555 071	-	852 263	(852 263)	-	-
Other comprehensive income/(loss)	-	-	-	-	1 309 118	(1 788 279)	-	8 614 054	8 134 893	-	8 134 893	29 308	-	29 308	8 164 201
<b>Total comprehensive income/(loss) for the period</b>	-	-	-	-	<b>1 309 118</b>	<b>(1 788 279)</b>	-	<b>3 058 983</b>	<b>2 579 822</b>	<b>(8 433 686)</b>	<b>(5 853 864)</b>	<b>3 922 780</b>	<b>(852 263)</b>	<b>3 070 517</b>	<b>(2 783 347)</b>
Share application monies	-	-	254 493	254 493	-	-	-	-	-	-	254 493	-	-	-	254 493
Recognition of share based payments	-	-	-	-	-	-	156 588	-	156 588	-	156 588	-	-	-	156 588
Change in ownership interests	-	-	-	-	-	-	-	-	-	431 267	431 267	421 266	-	421 266	852 533
<b>Balance at 30 September 2017</b>	<b>30 741</b>	<b>301 125 796</b>	<b>861 492</b>	<b>302 018 029</b>	<b>(257 770 170)</b>	<b>(1 419 275)</b>	<b>461 529</b>	<b>17 213 262</b>	<b>(241 514 654)</b>	<b>68 473 854</b>	<b>128 977 229</b>	<b>12 844 949</b>	<b>1 184 767</b>	<b>14 029 716</b>	<b>143 006 945</b>

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

For the nine months ended 30 September 2017

**UNAUDITED CONDENSED STATEMENT OF CASH FLOWS**

Figures in US Dollar	Nine months ended	
	30-Sep-17	30-Sep-16
<b>Cash flows from operating activities</b>		
Profit before taxation	5 429 029	17 638 727
<b>Adjustments for:</b>		
Depreciation and amortisation	5 397 200	4 033 154
Profit on disposal of property, equipment and intangible assets	(52 989)	(37 876)
Foreign currency loss/(gain)	32 409 623	(2 871 641)
Finance costs	99 331 321	84 334 076
Dividend recognised in income statement	(12 695 118)	(8 349 160)
Increase in provision for credit impairment	12 821 196	27 283 716
Expense recognised in respect of share based payments	156 587	350 157
Negative goodwill on acquisition of subsidiary	-	(15 762)
<b>Operating cash flows before movements in working capital</b>	<b>142 796 849</b>	<b>122 365 391</b>
<b>Changes in working capital:</b>		
Increase in trade and other receivables	(4 287 843)	(7 310 653)
Increase in gross advances	(174 506 231)	(84 613 161)
Increase in deposits from customers	28 632 244	16 401 003
Increase in trade and other payables	3 639 697	8 066 608
<b>Cash (used in)/generated by operations</b>	<b>(3 725 284)</b>	<b>54 909 188</b>
Dividend received	10 890 571	8 350 855
Finance costs paid	(81 198 444)	(69 227 426)
Tax paid	(20 011 654)	(13 027 052)
<b>Net cash used in operating activities</b>	<b>(94 044 811)</b>	<b>(18 994 435)</b>
<b>Cash flows from investing activities</b>		
Proceeds on disposal of property, equipment and intangible assets	133 520	120 056
Purchase of property, equipment and intangible assets	(13 755 101)	(9 730 862)
Net proceeds from issue of shares to non-controlling interests	800 046	331 552
Net cash inflow from acquisition of subsidiary	-	1 051 481
<b>Net cash used in investing activities</b>	<b>(12 821 535)</b>	<b>(8 227 773)</b>
<b>Cash flows from financing activities</b>		
Net proceeds from bond issuance and repayments	7 814 756	19 168 436
Net increase in other borrowings	87 598 302	42 712 932
Payment on unwinding of forward contracts	(2 864 674)	(4 062 231)
<b>Net cash generated from financing activities</b>	<b>92 548 384</b>	<b>57 819 137</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(14 317 962)</b>	<b>30 596 929</b>
Net cash and cash equivalents at the beginning of the period	136 266 040	74 881 014
Effect of foreign exchange rate changes	(395 074)	4 626 154
<b>Total cash and cash equivalents at the end of the period</b>	<b>121 553 004</b>	<b>110 104 097</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:

<b>Name of subsidiaries</b>	<b>Place of incorporation</b>
Bayport Financial Services Limited	Zambia
Bayport Financial Services Ghana PLC Limited	Ghana
Bayport Financial Services Uganda Limited	Uganda
Bayport Financial Services (T) Limited	Tanzania
CFC Savings and Loans Limited	Ghana
Money Quest Investments (Proprietary) Limited	Botswana
Bayport Colombia S.A.S	Colombia
Bayport Financial Services 2010 Proprietary Limited	South Africa
Zenthyme Investments Proprietary Limited (i)	South Africa
Bayport Securitisation (RF) Limited (i)	South Africa
Convene Med Proprietary Limited (i) (Dormant)	South Africa
BFS SA Executive Holdings Proprietary Limited (i) (Dormant)	South Africa
West Road South No 4 (RF) Proprietary Limited	South Africa
Bayport Tutari (RF) Proprietary Limited (i)	South Africa
Bayport Financial Services Mozambique (MCB) S.A	Mozambique
Actvest Mexico S.A.PI de C.V, E.N.R (ii)	Mexico
Financiera Fortaleza, S.A de C.V, SOFOM E.N.R (iii)	Mexico
Bayport Financial Services Rwanda SARL (Dormant)	Rwanda
Bayport Financial Services (USA), Inc.	United States
Cashfoundry Limited	United Kingdom
Actvest Limited	Mauritius
Bayport Latin America Holdings Ltd	Mauritius
Bayport International Headquarter Company Proprietary Limited	South Africa
Actvest (Proprietary) Limited	South Africa
Bayport LatAm Investments Cooperatief U.A. (iv)	Netherlands
Bayport LatAm Investments B.V. (iv)	Netherlands

The Company's registered office is DTOS Ltd, 10th Floor, Standard Chartered Tower, 19, Cybercity, Ebene, Mauritius and the Company's principal place of business is 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) Convene Med Proprietary Ltd, BFS SA Executive Holdings Proprietary Limited, Bayport Securitisation (RF) Limited, Zenthyme Investments Proprietary Limited, Bayport Tutari (RF) Proprietary Limited and West Road South No 4 (RF) Proprietary Limited are controlled by Bayport Financial Services 2010 Proprietary Limited, which is owned 100% by Bayport Management Ltd.
- (ii) Bayport Management Ltd effectively owns 100% of Actvest Mexico S.A.PI de C.V, E.N.R.
- (iii) Actvest Mexico S.A.PI de C.V, E.N.R owns 71% of Financiera Fortaleza, S.A de C.V SOFOM E.N.R.
- (iv) Bayport Management Ltd effectively owns 100% of Bayport LatAm Investments Cooperatief U.A. and Bayport LatAm Investments B.V.

## **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 ("IFRS") 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 financial instruments which are 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 December 2016.

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

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

### **3. Taxation**

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

### **4. Dividends**

During the period ended 30 September 2017, no dividends were paid or declared.

### **5. Property and equipment**

During the period, the Group spent USD 14 million 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. Loans and advances

	30-Sep-17	31-Dec-16
Advances to customers	1 158 956 838	984 258 752
Carrying value of net premiums	47 435 537	36 328 024
Deferred origination fees	(21 639 618)	(17 163 664)
Deferred origination costs	18 731 550	12 866 151
<b>Gross advances</b>	<b>1 203 484 307</b>	<b>1 016 289 263</b>
Impairment provision	(278 420 358)	(276 001 949)
<b>Net advances</b>	<b>925 063 949</b>	<b>740 287 314</b>
<b>Impairment provision</b>		
Opening balance (as previously reported)	276 001 949	160 841 149
IFRS 9 transitional adjustment	-	54 166 862
Opening balance (as restated)	276 001 949	215 008 011
Net impairment recognised in profit or loss	29 710 544	77 062 497
Utilisation of allowance for impairment	(16 889 348)	(33 676 287)
Foreign exchange differences	(10 402 787)	17 607 728
<b>Closing balance</b>	<b>278 420 358</b>	<b>276 001 949</b>

### 7. Share capital

	30-Sep-17	31-Dec-16
Share capital	30 741	30 741
Share premium	301 125 796	301 125 796
<b>Stated capital</b>	<b>301 156 537</b>	<b>301 156 537</b>
Share application monies	861 492	606 999
<b>Total share capital</b>	<b>302 018 029</b>	<b>301 763 536</b>

	Number of shares	Share capital	Share premium	Share application monies	Total share capital
<b>Balance at 1 January 2017</b>	<b>30 741 360</b>	<b>30 741</b>	<b>301 125 796</b>	<b>606 999</b>	<b>301 763 536</b>
Share application monies	-	-	-	254 493	254 493
<b>Balance at 30 June 2017</b>	<b>30 741 360</b>	<b>30 741</b>	<b>301 125 796</b>	<b>861 492</b>	<b>302 018 029</b>



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

Figures in US Dollar

### 8. Other financial liabilities

	<b>30-Sep-17</b>	<b>31-Dec-16</b>
Cash flow hedges	(1 261 242)	(4 193 596)
Net investment hedges	(1 612 722)	(96 615)
	<b>(2 873 964)</b>	<b>(4 290 211)</b>

#### Cash flow hedges

The Company entered into forward foreign exchange contracts during the period with a view to hedge its exposure to movements in SEK/USD exchange rate relating to its Bond liabilities denominated in Swedish Krona. Up to August 2017, 50% of the Swedish Krona bonds were hedged. The amount hedged was subsequently increased to cover 100% of the SEK bonds. Details of the hedging contracts in place as at the end of the reporting period are as follows:

	<b>Currency</b>	<b>Trade date</b>	<b>Maturity dates</b>	<b>Notional amount</b>
Forward exchange contract 1	SEK	July 2017	October 2017	SEK 461 million
Forward exchange contract 2	SEK	September 2017	October 2017	SEK 1,500 million
Forward exchange contract 3	SEK	September 2017	October 2017	SEK 1,039 million

#### Net investment hedges

The Company also entered into a ZAR/USD forward foreign exchange contract to hedge part of its net investment exposure in its South African subsidiaries. Details of the hedging contract at the end of the reporting period are as follows:

	<b>Currency</b>	<b>Trade date</b>	<b>Maturity dates</b>	<b>Notional amount</b>
Forward exchange contract 4	ZAR	September 2017	October 2017	ZAR 2,435 million
Forward exchange contract 5	ZAR	September 2017	October 2017	ZAR 247 million

### 9. Borrowings

	<b>30-Sep-17</b>	<b>31-Dec-16</b>
Corporate Bonds	438 877 593	391 249 549
Other term loans	369 452 237	255 976 151
Loan notes	178 256 264	198 389 950
	<b>986 586 094</b>	<b>845 615 650</b>
Less: deferred transaction costs	(8 687 108)	(8 502 100)
	<b>977 898 986</b>	<b>837 113 550</b>

#### Corporate Bonds

In March 2017, the Company issued new Corporate Bonds with a nominal amount of SEK 1,100 million (USD 124.9 million) at a coupon rate of 11% payable annually on the anniversary date which are due to be redeemed in September 2019. This bond issue effectively refinances the Corporate Bonds that matured in June 2017.

These Bonds constitute direct, general, unconditional, subordinated and unsecured obligations of the Company. The Bonds are listed on the Nasdaq OMX Stockholm AB.

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

Figures in US Dollar

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### **9. Borrowings (continued)**

#### **Other term loans**

During the period, Bayport Management Ltd drew a further USD 58 million under the Overseas Private Investment Corporation facility ("OPIC").

#### **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.

### **10. Events after the reporting period**

In November 2017, Bayport Management Ltd ("BML") sold 51% of its shareholding in Bayport Financial Services 2010 Proprietary Limited ("BFS SA") to Firefly Investments 326 (Proprietary) Limited ("Firefly"), a company ultimately owned by the South African Government Employees Pension Fund for a cash consideration of ZAR1,632,000,000. As part of the disposal agreement, Firefly will also advance a convertible subordinated zero coupon loan of USD60,560,000 to BML. The loan will be convertible, under certain conditions, into 3,431,411 ordinary shares, which represents circa 10 per cent of the issued share capital of BML.

Although still consolidated as a subsidiary in the 30 September 2017 Unaudited Quarterly Report, BFS SA is effectively an asset held for sale. Since the Company has effectively lost control of BFS SA, BML will deconsolidate BFS SA as from November 2017. Thereafter, BML will account its remaining 49% interest in BFS SA as an investment in associate.

In October 2017, BML also acquired 51% of a group of seven companies under the collective name of "Traffic". The initial consideration comprised of ZAR23,067,763 in cash as well as 114,647 ordinary shares of BML. Furthermore, subject to achieving certain growth rates for the next three years, a deferred consideration will be payable to the sellers which will comprise of cash consideration of ZAR5,371,083 and additional 26,694 ordinary shares. These companies operate in the insurance sector.

*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 these unaudited condensed Financial Statements.*