

BAYPORT SECURITISATION (RF) LTD

INVESTOR REPORT

MARCH 2019

*your future now*

**BAYPORT**  
FINANCIAL SERVICES

## Monthly Investor Report

Note: This report has been prepared in accordance with IFRS 9.

### Financial statistics for the period ended March 2019

		Mar 19	Feb 19	Jan 19	Dec 18	Nov 18	Oct 18	Sep 18	Aug 18	Jul 18	June 18	May 18	Apr 18
<b>Performance ratios *</b>													
Total income as a % of ave gross loans and advances (excl. dividends)	%	17.2%	17.3%	17.3%	17.3%	17.5%	17.4%	17.4%	17.3%	17.3%	17.5%	17.5%	17.5%
Dividend income as a % of ave gross loans and advances	%	0.7%	0.8%	0.7%	0.8%	0.9%	1.5%	1.9%	1.8%	1.8%	1.7%	2.2%	2.2%
Total income as a % of ave gross loans and advances (incl. dividends)	%	17.9%	18.1%	18.0%	18.1%	18.4%	18.9%	19.2%	19.2%	19.1%	19.2%	19.7%	19.7%
Direct and indirect expenses to ave gross loans and advances	%	5.0%	5.1%	5.2%	5.2%	5.4%	5.6%	5.6%	5.4%	5.1%	4.8%	4.6%	4.6%
Direct and indirect expenses to total income (excl. dividends)	%	29.2%	29.4%	29.8%	30.1%	30.9%	32.1%	32.5%	31.0%	29.4%	27.7%	26.4%	26.4%
Direct and indirect expenses to total income (incl. dividends)	%	28.0%	28.2%	28.7%	28.8%	29.3%	29.6%	29.4%	28.0%	26.7%	25.2%	23.4%	23.5%
Return on assets (incl. dividends)	%	1.6%	1.4%	1.0%	0.6%	1.8%	2.4%	2.8%	3.1%	4.0%	3.1%	4.5%	4.3%
Gearing ratio	times	2.1	2.1	2.1	2.1	2.1	2.0	2.0	2.0	2.0	2.0	2.0	1.9
Interest margin	%	9.7%	9.8%	9.8%	9.8%	10.0%	9.9%	10.0%	9.9%	10.4%	10.4%	10.3%	10.2%
<b>Income statement extract</b>													
Interest income	R '000	63 125	64 849	67 223	67 518	70 350	71 680	73 017	74 552	70 830	71 772	69 618	71 240
Non-interest revenue (excl. dividends)	R '000	4 561	5 061	5 039	5 229	4 994	5 341	5 245	5 391	5 698	5 296	4 996	5 752
Dividend income	R '000	4 778	3 522	4 100	4 818	2 077	2 108	2 023	2 098	2 056	4 002	2 811	4 103
<b>Total income</b>	R '000	<b>72 464</b>	73 432	76 362	77 565	77 421	79 129	80 285	82 041	78 584	81 070	77 425	81 095
Interest expenses	R '000	(26 598)	(24 081)	(26 725)	(28 201)	(27 013)	(27 851)	(27 932)	(28 535)	(28 377)	(26 984)	(27 583)	(26 513)
Direct and indirect expenses	R '000	(21 450)	(21 404)	(21 640)	(22 072)	(18 259)	(8 505)	(24 959)	(24 726)	(24 846)	(24 261)	(25 128)	(25 457)
<b>Total expenses</b>	R '000	<b>(48 048)</b>	(45 485)	(48 365)	(50 273)	(45 272)	(36 356)	(52 891)	(53 261)	(53 223)	(51 245)	(52 711)	(51 970)

\* 12 months rolling average

## Monthly Investor Report

### Financial statistics for the period ended March 2019 (continued)

		Mar 19	Feb 19	Jan 19	Dec 18	Nov 18	Oct 18	Sep 18	Aug 18	Jul 18	June 18	May 18	Apr 18
<b>Asset and credit quality ratios</b>													
Gross loans and advances	R '000	<b>5 117 340</b>	5 130 723	5 169 813	5 173 357	5 190 683	5 277 302	5 317 496	5 261 940	5 367 098	5 286 296	5 140 560	5 262 866
Non-performing loans ("NPLs")	R '000	<b>1 815 358</b>	1 815 768	1 787 032	1 763 333	1 745 548	1 722 401	1 711 733	1 687 044	1 668 900	1 654 433	1 666 935	1 649 497
Carrying value of written off book	R '000	<b>199 445</b>	199 281	199 749	199 749	201 344	201 372	180 885	186 490	179 807	178 901	178 276	175 558
Impairment provision	R '000	<b>2 771 845</b>	2 787 349	2 742 370	2 754 313	2 721 179	2 727 270	2 733 070	2 735 939	2 740 483	2 728 569	2 704 503	2 731 520
Net loans and advances	R '000	<b>2 544 940</b>	2 542 655	2 627 192	2 618 792	2 670 848	2 751 405	2 765 311	2 712 490	2 806 422	2 736 628	2 614 333	2 706 904
Number of loans on book		<b>165 487</b>	167 013	169 089	169 848	172 009	175 266	177 864	177 564	182 265	181 173	177 830	182 242
Non-performing loans ratio	%	<b>35.5%</b>	35.4%	34.6%	34.1%	33.6%	32.6%	32.2%	32.1%	31.1%	31.3%	32.4%	31.3%
Provision coverage	%	<b>54.2%</b>	54.3%	53.0%	53.2%	52.4%	51.7%	51.4%	52.0%	51.1%	51.6%	52.6%	51.9%
Investment in Zenthyme Investments (Proprietary) Limited	R '000	<b>116 520</b>	116 520	116 520	116 520	145 612	145 612	145 612	145 612	145 612	145 612	145 612	145 612
<b>Funding and cash reserves</b>													
Interest bearing liabilities	R '000	<b>2 571 638</b>	2 758 684	2 593 326	2 644 159	2 702 046	2 781 110	2 939 009	2 938 197	2 941 668	2 814 762	2 787 855	2 810 250
Average cost of borrowings	%	<b>12.1%</b>	12.1%	12.1%	12.1%	11.9%	11.9%	11.9%	12.0%	12.1%	12.2%	12.1%	12.1%
Cash and cash equivalents	R '000	<b>487 365</b>	652 646	419 224	458 402	559 117	517 959	668 584	698 971	579 650	575 969	663 714	532 273

## Monthly Investor Report

### Origination

		% change MOM	Mar 19	Feb 19	Jan 19	Dec 18	Nov 18	Oct 18	Sep 18	Aug 18	Jul 18	June 18	May 18	Apr 18
Disbursements	R '000	2.4%	120 731	117 912	128 608	130 183	170 722	188 502	128 546	140 515	140 173	132 938	142 525	118 035
Number of new loans		3.8%	4 035	3 887	4 204	4 151	5 822	6 256	4 557	5 001	5 171	5 070	5 437	4 613
Average loan value at acquisition	Rand	(1.4%)	29 921	30 335	30 592	31 362	29 324	30 131	28 208	28 097	27 108	26 221	26 214	25 588
Average term at aquisition	Months	1.1%	39.7	39.2	39.8	39.9	37.9	38.4	36.0	35.7	36.0	34.6	34.5	33.8

### Loan claims purchased by Bayport Securitisation (RF) Ltd \*

		% change MOM	Mar 19	Feb 19	Jan 19	Dec 18	Nov 18	Oct 18	Sep 18	Aug 18	Jul 18	June 18	May 18	Apr 18
Loan claims purchased	R '000	48.4%	122 344	82 434	118 384	82 801	72 825	132 121	196 101	37 542	189 135	249 057	28 904	236 208
Number of loans purchased		29.5%	4 248	3 281	5 664	2 494	2 532	4 295	7 343	568	7 054	9 821	1 020	8 335
Average loan value purchased	Rand	14.6%	28 800	25 125	20 901	33 200	28 762	30 762	26 706	66 095	26 812	25 360	28 337	28 339
Average remaining term of loans purchased	Months	1.0%	41.3	40.9	39.2	39.9	38.5	38.4	36.3	53.7	36.2	34.6	34.5	33.8

\* Loans disbursed by the originator that are not sold to Bayport Tutari RF (Ltd) are purchased by the issuer. The claims purchased by Tutari will be sold periodically to the issuer and thus a consolidated view of all originations has been disclosed.

### Statistics

#### Loans and advances by geographic location

Province	Cellular	Payroll	Debit order	Total
Eastern Cape	11%	6%	9%	9%
Free State	5%	5%	5%	5%
Gauteng	41%	63%	42%	42%
Kwazulu-Natal	14%	12%	14%	14%
Limpopo	5%	1%	6%	6%
Mpumulanga	5%	2%	5%	5%
Northern Cape	1%	1%	2%	2%
North-West	5%	3%	5%	5%
Western Cape	13%	7%	12%	12%
<b>Grand Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

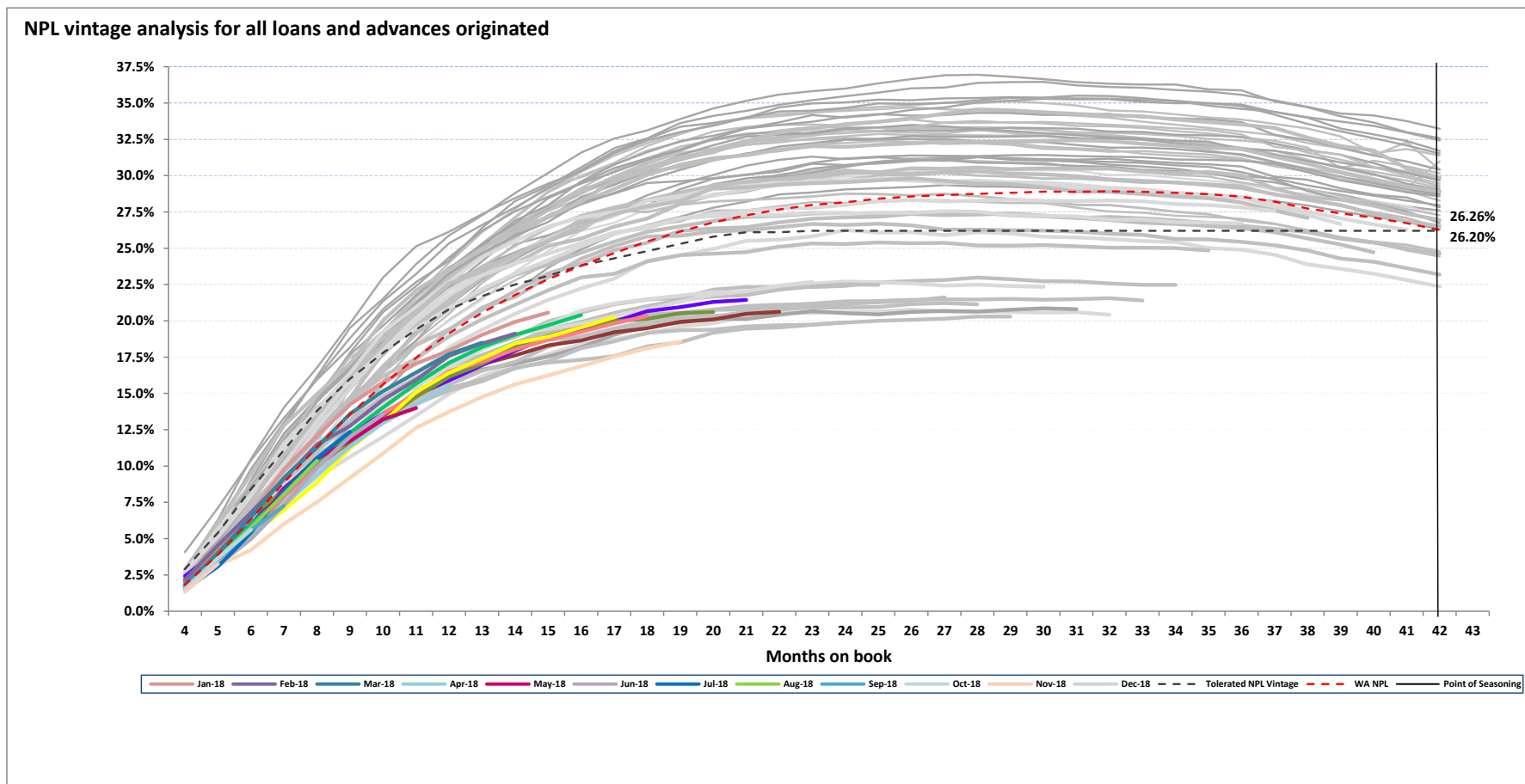
## Monthly Investor Report

### Asset quality

	% change MOM	Mar 19 R'000	Feb 19 R'000	Jan 19 R'000	Dec 18 R'000	Nov 18 R'000	Oct 18 R'000	Sep 18 R'000	Aug 18 R'000	Jul 18 R'000	June 18 R'000	May 18 R'000	Apr 18 R'000
<b>Gross loans and advances</b>	(0.3%)	<b>5 117 340</b>	5 130 723	5 169 813	5 173 357	5 190 683	5 277 302	5 317 496	5 261 940	5 367 098	5 286 296	5 140 560	5 262 866
Performing loans	(0.4%)	<b>3 301 982</b>	3 314 955	3 382 781	3 410 024	3 445 135	3 554 901	3 605 763	3 574 896	3 698 198	3 631 863	3 473 625	3 613 369
Non-performing loans	(0.0%)	<b>1 815 358</b>	1 815 768	1 787 032	1 763 333	1 745 548	1 722 401	1 711 733	1 687 044	1 668 900	1 654 433	1 666 935	1 649 497
<b>Impairment provision</b>													
Opening balance	1.6%	<b>2 787 349</b>	2 742 370	2 754 313	2 721 179	2 727 270	2 733 070	2 735 939	2 740 483	2 728 569	2 704 503	2 731 520	2 673 445
Bad debt written-off	(1.8%)	<b>(45 592)</b>	(46 447)	(43 434)	(28 841)	(34 083)	(39 925)	(39 627)	(28 600)	(29 469)	(50 506)	(52 742)	(46 083)
Provision raised	(67.1%)	<b>30 088</b>	91 426	31 491	61 975	27 992	34 125	36 758	24 056	41 383	74 572	25 724	104 158
Closing balance	(0.6%)	<b>2 771 845</b>	2 787 349	2 742 370	2 754 313	2 721 179	2 727 270	2 733 070	2 735 939	2 740 483	2 728 569	2 704 503	2 731 520

# Monthly Investor Report

## Asset quality (continued)



## Monthly Investor Report

### Asset quality (continued)

#### Reported under IFRS 9

#### Loans and advances distribution by contractual delinquency (CD)

	Mar 19	Feb 19	Jan 19	Dec 18	Nov 18	Oct 18	Sep 18	Aug 18	Jul 18	June 18	May 18	Apr 18
	%	%	%	%	%	%	%	%	%	%	%	%
<b>For all loans and advances originated</b>												
0	58.7%	58.4%	59.0%	59.4%	59.7%	60.1%	59.8%	60.4%	60.2%	60.0%	60.1%	60.5%
1	3.8%	4.1%	4.2%	3.9%	4.0%	3.9%	4.2%	3.8%	4.0%	4.3%	4.0%	3.9%
2	3.3%	3.2%	3.1%	3.2%	3.1%	3.1%	2.9%	3.1%	3.3%	3.3%	3.2%	3.2%
3	2.6%	2.7%	2.7%	2.7%	2.6%	2.6%	2.7%	2.7%	2.8%	2.8%	2.7%	2.8%
4 +	31.6%	31.6%	31.0%	30.8%	30.6%	30.3%	30.4%	30.0%	29.7%	29.6%	30.0%	29.6%
<b>For Bayport Securitisation (RF) Ltd</b>												
0	54.4%	54.0%	54.8%	55.8%	56.2%	57.4%	57.8%	58.1%	58.7%	58.3%	57.5%	58.8%
1	3.9%	4.3%	4.4%	4.0%	4.1%	4.0%	4.2%	3.8%	4.0%	4.3%	4.1%	3.9%
2	3.4%	3.4%	3.3%	3.3%	3.3%	3.2%	3.0%	3.2%	3.3%	3.3%	3.3%	3.1%
3	2.8%	2.9%	2.9%	2.8%	2.8%	2.7%	2.8%	2.8%	2.9%	2.8%	2.7%	2.9%
4 +	35.5%	35.4%	34.6%	34.1%	33.6%	32.7%	32.2%	32.1%	31.1%	31.3%	32.4%	31.3%
<b>Monthly loans and advances movement</b>												
	Mar 19	Feb 19	Jan 19	Dec 18	Nov 18	Oct 18	Sep 18	Aug 18	Jul 18	June 18	May 18	Apr 18
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	5 130 723	5 169 813	5 173 357	5 190 683	5 277 302	5 317 496	5 261 940	5 367 098	5 286 296	5 140 560	5 262 866	5 079 964
Disbursements	122 344	82 434	118 384	82 801	72 825	132 121	196 101	37 542	189 135	249 057	28 904	236 208
Interest and other similar income	70 935	71 730	72 795	69 171	66 244	67 905	67 877	69 585	68 364	63 373	65 181	66 955
Non-interest revenue and other movements	(17 679)	(7 954)	(11 297)	5 919	(22 452)	(26 367)	1 561	(2 308)	25 656	58 706	4 942	79 432
Collections	(143 391)	(138 853)	(139 992)	(146 376)	(169 153)	(173 928)	(170 356)	(181 377)	(172 884)	(174 894)	(168 591)	(153 610)
Bad debt write-offs and write-backs	(45 592)	(46 447)	(43 434)	(28 841)	(34 083)	(39 925)	(39 627)	(28 600)	(29 469)	(50 506)	(52 742)	(46 083)
Closing balance	5 117 340	5 130 723	5 169 813	5 173 357	5 190 683	5 277 302	5 317 496	5 261 940	5 367 098	5 286 296	5 140 560	5 262 866

## Monthly Investor Report

### Liquidity and funding

	% change MOM	Mar 19 R'000	Feb 19 R'000	Jan 19 R'000	Dec 18 R'000	Nov 18 R'000	Oct 18 R'000	Sep 18 R'000	Aug 18 R'000	Jul 18 R'000	June 18 R'000	May 18 R'000	Apr 18 R'000
<b>Funding</b>													
Class A Notes (senior)	0.0%	<b>1 877 174</b>	1 877 174	1 877 174	1 877 174	2 001 254	2 001 254	2 253 410	2 253 410	2 253 410	2 153 526	2 153 526	2 153 526
Class B Notes (Mezzanine)	0.0%	<b>442 000</b>	442 000	442 000	442 000	442 000	442 000	272 000	272 000	272 000	271 000	271 000	271 000
Other subordinated funding	(42.6%)	<b>252 464</b>	439 510	274 152	324 985	258 792	337 856	413 599	412 787	416 258	390 236	363 329	385 724
Total interest bearing liabilities	(6.8%)	<b>2 571 638</b>	2 758 684	2 593 326	2 644 159	2 702 046	2 781 110	2 939 009	2 938 197	2 941 668	2 814 762	2 787 855	2 810 250
Average cost of borrowings	(0.1%)	<b>12.1%</b>	12.1%	12.1%	12.1%	11.9%	11.9%	11.9%	12.0%	12.1%	12.2%	12.1%	12.1%
Cash and cash equivalents	(25.3%)	<b>487 365</b>	652 646	419 224	458 402	559 117	517 959	668 584	698 971	579 650	575 969	663 714	532 273



## Monthly Investor Report

### Liquidity and funding (continued)

Instrument	Coupon rate	Class	Nominal amount at issue	Month end principal balance	Issue date	Maturity date
BAYA45	3-month JIBAR plus 4.250%	A	150 000 000	150 000 000	2014/03/31	2019/04/01
BAYA51	3-month JIBAR plus 5.100%	A	40 000 000	3 912 235	2016/04/06	2019/03/31
BAYA52	3-month JIBAR plus 5.100%	A	225 000 000	22 049 692	2016/03/31	2019/03/31
BAYA54	3-month JIBAR plus 5.100%	A	275 500 000	78 694 457	2016/09/30	2019/09/30
BAYA57	3-month JIBAR plus 5.500%	A	50 000 000	50 000 000	2017/04/03	2022/04/03
BAYA58	3-month JIBAR plus 5.100%	A	526 000 000	287 313 168	2017/06/30	2020/06/30
BAYA59	13.150%	A	187 000 000	187 000 000	2017/06/30	2022/06/30
BAYA60	3-month JIBAR plus 5.100%	A	85 000 000	85 000 000	2017/06/30	2020/06/30
BAYA61	3-month JIBAR plus 5.100%	A	38 500 000	38 500 000	2017/06/30	2020/06/30
BAYA62	3-month JIBAR plus 4.400%	A	120 000 000	81 351 760	2017/12/01	2020/09/30
BAYA63	3-month JIBAR plus 4.250%	A	58 000 000	58 000 000	2017/12/01	2020/09/30
BAYA64	3-month JIBAR plus 4.500%	A	40 000 000	40 000 000	2017/12/01	2022/09/30
BAYA65	3-month JIBAR plus 4.000%	A	52 000 000	35 178 616	2017/12/01	2020/09/30
BAYA66	3-month JIBAR plus 4.400%	A	218 000 000	170 173 903	2018/04/03	2021/03/31
BAYA67	11.170%	A	100 000 000	100 000 000	2018/04/03	2023/03/31
BAYA68	3-month JIBAR plus 3.750%	A	116 000 000	160 000 000	2018/07/02	2021/06/30
BAYA69	3-month JIBAR plus 3.750%	A	125 000 000	125 000 000	2018/07/02	2021/06/30
BAYA70	3-month JIBAR plus 4.300%	A	33 000 000	33 000 000	2018/07/02	2021/06/30
BAYA71	3-month JIBAR plus 4.250%	A	172 000 000	172 000 000	2018/07/02	2021/06/30
<b>Subtotal Class A notes</b>			<b>2 611 000 000</b>	<b>1 877 173 832</b>		
BAYB07	3-month JIBAR plus 7.500%	B	20 000 000	20 000 000	2013/02/22	2020/03/31
BAYB08	3-month JIBAR plus 8.000%	B	50 000 000	50 000 000	2013/03/25	2020/09/30
BYB10U	3-month JIBAR plus 8.000%	B	5 000 000	5 000 000	2016/09/30	2021/09/30
BYB10U_1	3-month JIBAR plus 8.000%	B	1 000 000	1 000 000	2017/06/30	2021/09/30
BAYB11	3-month JIBAR plus 8.000%	B	115 000 000	115 000 000	2017/06/30	2020/06/30
BAYB12	3-month JIBAR plus 6.000%	B	1 000 000	1 000 000	2018/07/02	2021/06/30
BAYB13	3-month JIBAR plus 6.250%	B	170 000 000	170 000 000	2018/10/01	2023/09/30
BAYB14	3-month JIBAR plus 7.500%	B	50 000 000	50 000 000	2018/10/01	2023/09/30
BAYB15	3-month JIBAR plus 7.500%	B	30 000 000	30 000 000	2018/10/01	2023/09/30
<b>Subtotal Class B notes</b>			<b>442 000 000</b>	<b>442 000 000</b>		
<b>Total</b>			<b>3 053 000 000</b>	<b>2 319 173 832</b>		

## Monthly Investor Report

### Covenant compliance

	Current requirement	Mar 19	Feb 19	Jan 19	Dec 18	Nov 18	Oct 18	Sep 18	Aug 18	Jul 18	June 18	May 18	Apr 18
<b>Financial covenants</b>													
Senior Debt Cash Flow Cover Ratio	≥ 1.50 times	2.2	2.3	2.1	2.1	2.6	2.9	2.5	2.5	2.4	2.4	2.3	2.2
Senior Debt Interest Cover Ratio	≥ 3.50 times	4.5	5.0	4.6	4.2	4.5	4.4	4.1	4.0	4.2	4.2	4.0	4.4
Senior Debt to Net Qualifying Asset Value	≤ 70.0%	61.9%	58.7%	61.6%	61.0%	62.0%	61.2%	65.6%	66.1%	66.5%	65.0%	65.7%	66.5%
Bad and Doubtful Debt Ratio	≤ 17.5%	7.1%	7.1%	7.0%	6.3%	6.4%	6.3%	6.2%	5.9%	5.6%	6.6%	6.0%	6.2%
Equity invested in the Company by the Originator	> 22.5%	38.5%	45.2%	38.6%	38.1%	35.7%	37.0%	38.5%	39.2%	37.5%	37.5%	38.4%	37.1%
Cellular Contracts as a % of the Portfolio	≤ 10.0%	1.8%	1.8%	1.8%	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%	2.0%	2.0%
<b>Cash reserves</b>													
	Current requirement	Mar 19	Feb 19	Jan 19	Dec 18	Nov 18	Oct 18	Sep 18	Aug 18	Jul 18	June 18	May 18	Apr 18
Liquidity reserve (R'000)	≥ 250,000	250 000	250 000	250 000	250 000	250 000	250 000	250 000	250 000	250 000	250 000	250 000	250 000
Arrears reserve													
Weighted NPLs as a percentage of the portfolio	≤ 26.2%	26.3%	26.7%	26.8%	26.8%	27.2%	27.3%	27.6%	27.6%	28.0%	27.7%	27.3%	27.9%
Reserve required (R'000)		363	3 482	3 646	3 893	6 700	7 232	9 389	9 663	12 482	9 959	7 075	11 828
Asset performance reserve													
Collections ratio	≥ 80.75%	120.4%	120.6%	122.9%	123.3%	124.0%	122.9%	121.3%	120.0%	116.8%	114.1%	112.4%	111.4%
Reserve required (R'000)		-	-	-	-	-	-	-	-	-	-	-	-
Reserved cash (R'000)		249 637	246 518	246 354	246 107	243 300	242 768	240 611	240 337	237 518	240 041	242 925	238 172
Expected collections (6 month average) (R'000)		82 837	85 128	87 133	89 296	90 938	91 520	90 593	89 354	89 027	87 670	86 901	87 905
Actual receipts (6 month average) (R'000)		99 722	102 690	107 102	110 118	112 747	112 450	109 863	107 209	104 004	100 053	97 716	97 955
Capital redemption reserve (R'000)		150 000	125 000	100 000	75 000	50 000	25 000	128 663	107 219	85 775	215 282	154 354	93 427

## Monthly Investor Report

### Glossary of terms

<b>CD</b>	Contractual delinquency = accumulated arrears / contractual instalment originally due
<b>MOB</b>	Months on book
<b>MoM</b>	Months 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