

BAYPORT SECURITISATION (RF) LTD

INVESTOR REPORT

APRIL 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 April 2019

		Apr 19	Mar 19	Feb 19	Jan 19	Dec 18	Nov 18	Oct 18	Sep 18	Aug 18	Jul 18	June 18	May 18
Performance ratios *													
Total income as a % of ave gross loans and advances (excl. dividends)	%	17.1%	17.2%	17.3%	17.3%	17.3%	17.5%	17.4%	17.4%	17.3%	17.3%	17.5%	17.5%
Dividend income as a % of ave gross loans and advances	%	0.7%	0.7%	0.8%	0.7%	0.8%	0.9%	1.5%	1.9%	1.8%	1.8%	1.7%	2.2%
Total income as a % of ave gross loans and advances (incl. dividends)	%	17.8%	17.9%	18.1%	18.0%	18.1%	18.4%	18.9%	19.2%	19.2%	19.1%	19.2%	19.7%
Direct and indirect expenses to ave gross loans and advances	%	5.0%	5.0%	5.1%	5.2%	5.2%	5.4%	5.6%	5.6%	5.4%	5.1%	4.8%	4.6%
Direct and indirect expenses to total income (excl. dividends)	%	29.2%	29.2%	29.4%	29.8%	30.1%	30.9%	32.1%	32.5%	31.0%	29.4%	27.7%	26.4%
Direct and indirect expenses to total income (incl. dividends)	%	28.0%	28.0%	28.2%	28.7%	28.8%	29.3%	29.6%	29.4%	28.0%	26.7%	25.2%	23.4%
Return on assets (incl. dividends)	%	0.9%	1.6%	1.4%	1.0%	0.6%	1.8%	2.4%	2.8%	3.1%	4.0%	3.1%	4.5%
Gearing ratio	times	2.1	2.1	2.1	2.1	2.1	2.1	2.0	2.0	2.0	2.0	2.0	2.0
Interest margin	%	9.6%	9.7%	9.8%	9.8%	9.8%	10.0%	9.9%	10.0%	9.9%	10.4%	10.4%	10.3%
Income statement extract													
Interest income	R '000	67 212	63 125	64 849	67 223	67 518	70 350	71 680	73 017	74 552	70 830	71 772	69 618
Non-interest revenue (excl. dividends)	R '000	4 936	4 561	5 061	5 039	5 229	4 994	5 341	5 245	5 391	5 698	5 296	4 996
Dividend income	R '000	4 003	4 778	3 522	4 100	4 818	2 077	2 108	2 023	2 098	2 056	4 002	2 811
Total income	R '000	76 151	72 464	73 432	76 362	77 565	77 421	79 129	80 285	82 041	78 584	81 070	77 425
Interest expenses	R '000	(27 123)	(26 598)	(24 081)	(26 725)	(28 201)	(27 013)	(27 851)	(27 932)	(28 535)	(28 377)	(26 984)	(27 583)
Direct and indirect expenses	R '000	(23 229)	(21 450)	(21 404)	(21 640)	(22 072)	(18 259)	(8 505)	(24 959)	(24 726)	(24 846)	(24 261)	(25 128)
Total expenses	R '000	(50 352)	(48 048)	(45 485)	(48 365)	(50 273)	(45 272)	(36 356)	(52 891)	(53 261)	(53 223)	(51 245)	(52 711)

* 12 months rolling average

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Financial statistics for the period ended April 2019 (continued)

		Apr 19	Mar 19	Feb 19	Jan 19	Dec 18	Nov 18	Oct 18	Sep 18	Aug 18	Jul 18	June 18	May 18
Asset and credit quality ratios													
Gross loans and advances	R '000	5 410 252	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
Non-performing loans ("NPLs")	R '000	1 811 286	1 815 358	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
Carrying value of written off book	R '000	199 868	199 445	199 281	199 749	199 749	201 344	201 372	180 885	186 490	179 807	178 901	178 276
Impairment provision	R '000	2 809 169	2 771 845	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
Net loans and advances	R '000	2 800 951	2 544 940	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
Number of loans on book		170 769	165 487	167 013	169 089	169 848	172 009	175 266	177 864	177 564	182 265	181 173	177 830
Non-performing loans ratio	%	33.5%	35.5%	35.4%	34.6%	34.1%	33.6%	32.6%	32.2%	32.1%	31.1%	31.3%	32.4%
Provision coverage	%	51.9%	54.2%	54.3%	53.0%	53.2%	52.4%	51.7%	51.4%	52.0%	51.1%	51.6%	52.6%
Investment in Zenthyme Investments (Proprietary) Limited	R '000	116 520	116 520	116 520	116 520	116 520	145 612	145 612	145 612	145 612	145 612	145 612	145 612
Funding and cash reserves													
Interest bearing liabilities	R '000	2 840 755	2 571 638	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
Average cost of borrowings	%	12.1%	12.1%	12.1%	12.1%	12.1%	11.9%	11.9%	11.9%	12.0%	12.1%	12.2%	12.1%
Cash and cash equivalents	R '000	397 929	487 365	652 646	419 224	458 402	559 117	517 959	668 584	698 971	579 650	575 969	663 714

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Origination

		% change MOM	Apr 19	Mar 19	Feb 19	Jan 19	Dec 18	Nov 18	Oct 18	Sep 18	Aug 18	Jul 18	June 18	May 18
Disbursements	R '000	15.2%	139 058	120 731	117 912	128 608	130 183	170 722	188 502	128 546	140 515	140 173	132 938	142 525
Number of new loans		10.2%	4 445	4 035	3 887	4 204	4 151	5 822	6 256	4 557	5 001	5 171	5 070	5 437
Average loan value at acquisition	Rand	4.6%	31 284	29 921	30 335	30 592	31 362	29 324	30 131	28 208	28 097	27 108	26 221	26 214
Average term at aquisition	Months	7.5%	42.6	39.7	39.2	39.8	39.9	37.9	38.4	36.0	35.7	36.0	34.6	34.5

Loan claims purchased by Bayport Securitisation (RF) Ltd *

		% change MOM	Apr 19	Mar 19	Feb 19	Jan 19	Dec 18	Nov 18	Oct 18	Sep 18	Aug 18	Jul 18	June 18	May 18
Loan claims purchased	R '000	222.9%	395 104	122 344	82 434	118 384	82 801	72 825	132 121	196 101	37 542	189 135	249 057	28 904
Number of loans purchased		161.3%	11 100	4 248	3 281	5 664	2 494	2 532	4 295	7 343	568	7 054	9 821	1 020
Average loan value purchased	Rand	23.6%	35 595	28 800	25 125	20 901	33 200	28 762	30 762	26 706	66 095	26 812	25 360	28 337
Average remaining term of loans purchased	Months	7.5%	44.4	41.3	40.9	39.2	39.9	38.5	38.4	36.3	53.7	36.2	34.6	34.5

* 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%	8%	9%
Free State	5%	5%	5%	5%
Gauteng	41%	62%	43%	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%	8%	12%	12%
Grand Total	100%	100%	100%	100%

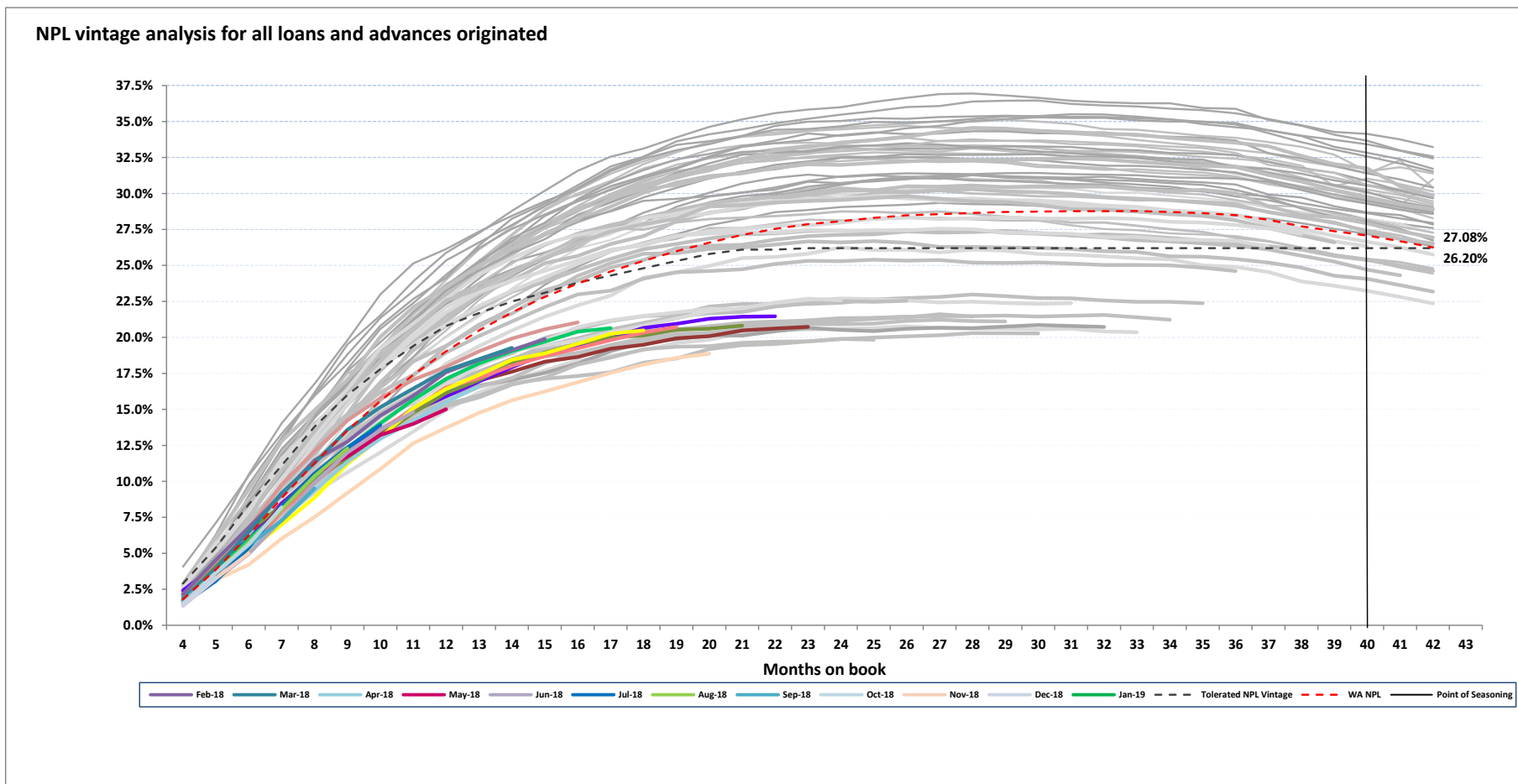
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Asset quality

	% change MOM	Apr 19 R'000	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
Gross loans and advances	5.7%	5 410 252	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
Performing loans	9.0%	3 598 966	3 301 982	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
Non-performing loans	(0.2%)	1 811 286	1 815 358	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
Impairment provision													
Opening balance	(0.6%)	2 771 845	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
Bad debt written-off	(0.4%)	(45 408)	(45 592)	(46 447)	(43 434)	(28 841)	(34 083)	(39 925)	(39 627)	(28 600)	(29 469)	(50 506)	(52 742)
Provision raised	175.0%	82 732	30 088	91 426	31 491	61 975	27 992	34 125	36 758	24 056	41 383	74 572	25 724
Closing balance	1.3%	2 809 169	2 771 845	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

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Asset quality (continued)



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Asset quality (continued)

Reported under IFRS 9

Loans and advances distribution by contractual delinquency (CD)

	Apr 19	Mar 19	Feb 19	Jan 19	Dec 18	Nov 18	Oct 18	Sep 18	Aug 18	Jul 18	June 18	May 18
	%	%	%	%	%	%	%	%	%	%	%	%
For all loans and advances originated												
0	59.3%	58.7%	58.4%	59.0%	59.4%	59.7%	60.1%	59.8%	60.4%	60.2%	60.0%	60.1%
1	3.7%	3.8%	4.1%	4.2%	3.9%	4.0%	3.9%	4.2%	3.8%	4.0%	4.3%	4.0%
2	2.9%	3.3%	3.2%	3.1%	3.2%	3.1%	3.1%	2.9%	3.1%	3.3%	3.3%	3.2%
3	2.7%	2.6%	2.7%	2.7%	2.7%	2.6%	2.6%	2.7%	2.7%	2.8%	2.8%	2.7%
4 +	31.4%	31.6%	31.6%	31.0%	30.8%	30.6%	30.3%	30.4%	30.0%	29.7%	29.6%	30.0%
For Bayport Securitisation (RF) Ltd												
0	57.0%	54.4%	54.0%	54.8%	55.8%	56.2%	57.4%	57.8%	58.1%	58.7%	58.3%	57.5%
1	3.7%	3.9%	4.3%	4.4%	4.0%	4.1%	4.0%	4.2%	3.8%	4.0%	4.3%	4.1%
2	3.0%	3.4%	3.4%	3.3%	3.3%	3.3%	3.2%	3.0%	3.2%	3.3%	3.3%	3.3%
3	2.8%	2.8%	2.9%	2.9%	2.8%	2.8%	2.7%	2.8%	2.8%	2.9%	2.8%	2.7%
4 +	33.5%	35.5%	35.4%	34.6%	34.1%	33.6%	32.7%	32.2%	32.1%	31.1%	31.3%	32.4%
Monthly loans and advances movement												
	Apr 19	Mar 19	Feb 19	Jan 19	Dec 18	Nov 18	Oct 18	Sep 18	Aug 18	Jul 18	June 18	May 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	5 117 340	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
Disbursements	395 104	122 344	82 434	118 384	82 801	72 825	132 121	196 101	37 542	189 135	249 057	28 904
Interest and other similiar income	80 318	70 935	71 730	72 795	69 171	66 244	67 905	67 877	69 585	68 364	63 373	65 181
Non-interest revenue and other movements	14 564	(17 679)	(7 954)	(11 297)	5 919	(22 452)	(26 367)	1 561	(2 308)	25 656	58 706	4 942
Collections	(151 666)	(143 391)	(138 853)	(139 992)	(146 376)	(169 153)	(173 928)	(170 356)	(181 377)	(172 884)	(174 894)	(168 591)
Bad debt write-offs and write-backs	(45 408)	(45 592)	(46 447)	(43 434)	(28 841)	(34 083)	(39 925)	(39 627)	(28 600)	(29 469)	(50 506)	(52 742)
Closing balance	5 410 252	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

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Liquidity and funding

	% change MOM	Apr 19 R'000	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
Funding													
Class A Notes (senior)	9.2%	2 049 330	1 877 174	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
Class B Notes (Mezzanine)	0.0%	442 000	442 000	442 000	442 000	442 000	442 000	442 000	272 000	272 000	272 000	271 000	271 000
Other subordinated funding	38.4%	349 425	252 464	439 510	274 152	324 985	258 792	337 856	413 599	412 787	416 258	390 236	363 329
Total interest bearing liabilities	10.5%	2 840 755	2 571 638	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
Average cost of borrowings	0.2%	12.1%	12.1%	12.1%	12.1%	12.1%	11.9%	11.9%	11.9%	12.0%	12.1%	12.2%	12.1%
Cash and cash equivalents	(18.4%)	397 929	487 365	652 646	419 224	458 402	559 117	517 959	668 584	698 971	579 650	575 969	663 714

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Liquidity and funding (continued)

Instrument	Coupon rate	Class	Nominal amount at issue	Month end principal balance	Issue date	Maturity date
BAYA54	3-month JIBAR plus 5.100%	A	275 500 000	53 261 101	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	243 000 471	2017/06/30	2020/06/30
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	70 685 345	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	30 552 287	2017/12/01	2020/09/30
BAYA66	3-month JIBAR plus 4.400%	A	218 000 000	153 330 281	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	243 000 000	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
BAYA72	12.180%	A	225 000 000	225 000 000	2019/04/01	2026/03/31
BAYA73	3-month JIBAR plus 3.94%	A	412 000 000	412 000 000	2019/04/01	2022/03/31
Subtotal Class A notes			2 773 000 000	2 049 329 486		
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
Subtotal Class B notes			442 000 000	442 000 000		
Total			3 215 000 000	2 491 329 486		

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Covenant compliance

	Current requirement	Apr 19	Mar 19	Feb 19	Jan 19	Dec 18	Nov 18	Oct 18	Sep 18	Aug 18	Jul 18	June 18	May 18
Financial covenants													
Senior Debt Cash Flow Cover Ratio	≥ 1.50 times	2.2	2.2	2.3	2.1	2.1	2.6	2.9	2.5	2.5	2.4	2.4	2.3
Senior Debt Interest Cover Ratio	≥ 3.50 times	4.6	4.5	5.0	4.6	4.2	4.5	4.4	4.1	4.0	4.2	4.2	4.0
Senior Debt to Net Qualifying Asset Value	≤ 70.0%	64.1%	61.9%	58.7%	61.6%	61.0%	62.0%	61.2%	65.6%	66.1%	66.5%	65.0%	65.7%
Bad and Doubtful Debt Ratio	≤ 17.5%	7.2%	7.1%	7.1%	7.0%	6.3%	6.4%	6.3%	6.2%	5.9%	5.6%	6.6%	6.0%
Equity invested in the Company by the Originator	> 22.5%	37.4%	38.5%	45.2%	38.6%	38.1%	35.7%	37.0%	38.5%	39.2%	37.5%	37.5%	38.4%
Cellular Contracts as a % of the Portfolio	≤ 10.0%	1.7%	1.8%	1.8%	1.8%	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%	2.0%
Cash reserves													
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%	27.1%	26.3%	26.7%	26.8%	26.8%	27.2%	27.3%	27.6%	27.6%	28.0%	27.7%	27.3%
Reserve required (R'000)		6 165	363	3 482	3 646	3 893	6 700	7 232	9 389	9 663	12 482	9 959	7 075
Asset performance reserve													
Collections ratio	≥ 80.75%	119.0%	120.4%	120.6%	122.9%	123.3%	124.0%	122.9%	121.3%	120.0%	116.8%	114.1%	112.4%
Reserve required (R'000)		-	-	-	-	-	-	-	-	-	-	-	-
Reserved cash (R'000)		243 835	249 637	246 518	246 354	246 107	243 300	242 768	240 611	240 337	237 518	240 041	242 925
Expected collections (6 month average) (R'000)		82 396	82 837	85 128	87 133	89 296	90 938	91 520	90 593	89 354	89 027	87 670	86 901
Actual receipts (6 month average) (R'000)		98 083	99 722	102 690	107 102	110 118	112 747	112 450	109 863	107 209	104 004	100 053	97 716
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

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Glossary of terms

CD	Contractual delinquency = accumulated arrears / contractual instalment originally due
MOB	Months on book
MoM	Months on month
YTD	Year to date
Non-performing loans	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
Non-performing loans ratio	Non-performing loans / Gross loans and advances
Provision coverage	Impairment provision / Gross loans and advances