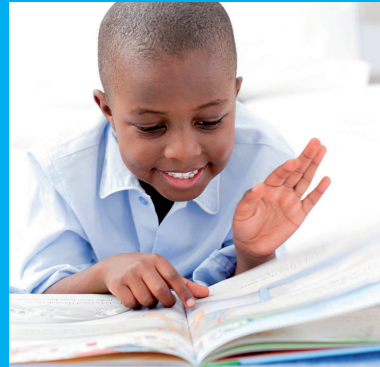


BAYPORT MANAGEMENT LTD
(Registration number 54787 C1/GBL)

**UNAUDITED CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS**

for the six months ended 30 June 2019



BAYPORT MANAGEMENT LTD
UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 30 June 2019

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Figures in US Dollar	Note	30-Jun-19	31-Dec-18
Assets			
Cash and bank balances		317 510 393	68 412 034
Other receivables		30 059 373	15 888 584
Current tax assets		13 667 798	14 126 350
Other financial assets		-	21 706 180
Loans and advances	4	947 464 912	870 702 219
Other investments		20 222 327	34 818 013
Investments in associates	5	119 787 768	116 034 222
Goodwill		4 619 660	4 581 465
Property and equipment	6	11 711 673	12 589 846
Right-of-use assets	7	10 147 846	-
Intangible assets	6	51 578 820	34 898 285
Deferred tax assets		32 321 778	32 081 917
Total Assets		1 559 092 348	1 225 839 115
Liabilities			
Bank overdrafts		50 253 270	52 331 627
Deposits from customers		73 298 068	73 727 911
Other payables		60 918 736	60 577 583
Current tax liabilities		3 289 034	6 327 565
Other financial liabilities		3 258 921	21 701 805
Lease liabilities	7	10 438 576	47 166
Borrowings	8	1 118 009 258	780 694 896
Deferred tax liabilities		32 493	32 642
Total Liabilities		1 319 498 356	995 441 195
Equity			
Share capital and treasury shares	9	373 557 114	373 557 114
Reserves		(225 965 055)	(204 397 871)
Retained earnings		76 164 756	46 657 871
Equity attributable to owners of the Company		223 756 815	215 817 114
Non-controlling interests		15 837 177	14 580 806
Total Equity		239 593 992	230 397 920
Total Liabilities and Equity		1 559 092 348	1 225 839 115

BAYPORT MANAGEMENT LTD
UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2019

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Figures in US Dollar	Note	Three months ended		Six months ended	
		30-Jun-19	30-Jun-18	30-Jun-19	30-Jun-18
Continuing operations					
Interest and other similar income		84 227 713	83 385 216	167 221 463	164 135 761
Interest and other similar expense		(38 251 370)	(29 265 450)	(72 234 103)	(56 454 244)
Net interest income		45 976 343	54 119 766	94 987 360	107 681 517
Commission income		1 113 786	1 117 867	2 242 086	2 179 668
Dividend income		3 089 420	2 558 734	18 073 334	4 746 246
Other income		5 163 097	2 135 906	9 600 800	4 187 664
Non-interest Income		9 366 303	5 812 507	29 916 220	11 113 578
Operating income		55 342 646	59 932 273	124 903 580	118 795 095
Operating expenses		(37 817 572)	(37 271 075)	(74 512 355)	(71 110 180)
Foreign exchange gains		(791 464)	(1 030 519)	(460 684)	(636 560)
Operating profit before impairment on financial assets		16 733 610	21 630 679	49 930 541	47 048 355
Impairment on financial assets		(4 940 520)	(4 642 152)	(10 718 934)	(11 614 429)
Operating profit		11 793 090	16 988 527	39 211 607	35 433 926
Share of post-tax results of associates	5	(262 651)	1 217 658	1 780 187	2 281 377
Profit before taxation		11 530 439	18 206 185	40 991 794	37 715 303
Taxation	3	(4 131 459)	(7 071 639)	(10 110 226)	(14 540 446)
Profit for the period		7 398 980	11 134 546	30 881 568	23 174 857
Attributable to:					
Owners of the Company		6 122 766	9 984 628	28 485 461	19 954 857
Non-controlling interests		1 276 214	1 149 918	2 396 107	3 220 000
Profit for the period		7 398 980	11 134 546	30 881 568	23 174 857
Earnings per share					
Basic earnings per share		0.18	0.29	0.83	0.58
Diluted earnings per share		0.17	0.29	0.81	0.58
Basic weighted average number of shares		34 280 415	34 224 241	34 280 415	34 211 558
Diluted weighted average number of shares		35 322 136	34 609 264	35 322 136	34 596 581

BAYPORT MANAGEMENT LTD
UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2019

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

Figures in US Dollar	Note	Three months ended		Six months ended	
		30-Jun-19	30-Jun-18	30-Jun-19	30-Jun-18
Profit for the period		7 398 980	11 134 546	30 881 568	23 174 857
Other comprehensive (loss)/income, net of taxation					
<i>Items that will not be reclassified subsequently to profit or loss:</i>					
Net fair value (loss)/gain on investments in equity instruments designated as at fair value through other comprehensive income		(106 919)	1 329 592	(14 594 501)	3 343 791
Share of other comprehensive loss of associates	5	-	-	-	(328 340)
Total items that will not be reclassified subsequently to profit or loss		(106 919)	1 329 592	(14 594 501)	3 015 451
<i>Items that may be reclassified subsequently to profit or loss:</i>					
Foreign exchange differences		(2 416 901)	(35 460 523)	(10 595 972)	(20 423 561)
Effect of cash flow hedges		(398 876)	(1 169 136)	2 654 944	(207 180)
Total items that may be reclassified subsequently to profit or loss		(2 815 777)	(36 629 659)	(7 941 028)	(20 630 741)
Other comprehensive loss for the period, net of taxation		(2 922 696)	(35 300 067)	(22 535 529)	(17 615 290)
Total comprehensive income/(loss) for the period		4 476 284	(24 165 521)	8 346 039	5 559 567
Attributable to:					
Owners of the Company		3 995 893	(24 766 734)	7 089 668	2 471 252
Non-controlling interests		480 391	601 213	1 256 371	3 088 315
Total comprehensive income/(loss) for the period		4 476 284	(24 165 521)	8 346 039	5 559 567

BAYPORT MANAGEMENT LTD
UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
For the six months ended 30 June 2019

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Figures in US Dollar

	Share capital	Share premium	Share application monies	Convertible equity instrument	Treasury shares	Total share capital and treasury shares	Translation reserve	Cash flow hedging reserve	Put option on own shares	Equity settled reserve	Other reserves	Total reserves	Retained earnings	Attributable to owners of the company	Total non-controlling interests	Total
Balance at 01 January 2018	30 856	303 803 835	763 679	60 560 000	(1 498 760)	363 659 610	(194 290 944)	(562 877)	(2 406 602)	2 033 759	42 095 932	(153 130 732)	33 891 828	244 420 706	13 006 421	257 427 127
Profit for the period	-	-	-	-	-	-	-	-	-	-	-	-	19 954 857	19 954 857	3 220 000	23 174 857
Other comprehensive (loss)/income	-	-	-	-	-	(20 291 876)	(20 291 876)	(207 180)	-	-	3 015 451	(17 483 605)	-	(17 483 605)	(131 685)	(17 615 290)
Total comprehensive (loss)/income for the period	-	-	-	-	-	(20 291 876)	(20 291 876)	(207 180)	-	-	3 015 451	(17 483 605)	19 954 857	2 471 252	3 088 315	5 559 567
Issue of shares	69	839 133	(499 788)	-	-	339 414	-	-	-	-	-	-	-	339 414	-	339 414
Recognition of share based payments	-	-	-	-	-	-	-	-	-	608 195	-	608 195	-	608 195	-	608 195
Transfer from reserves	-	-	-	-	-	-	-	-	-	-	4 960 939	4 960 939	(4 960 939)	-	-	-
Balance at 30 June 2018	30 925	304 642 968	263 891	60 560 000	(1 498 760)	363 999 024	(214 582 820)	(770 057)	(2 406 602)	2 641 954	50 072 322	(165 045 203)	48 885 746	247 839 567	16 094 736	263 934 303
Balance at 01 January 2019	30 938	304 829 584	9 635 352	60 560 000	(1 498 760)	373 557 114	(260 796 484)	(2 654 944)	(2 406 602)	6 677 319	54 782 840	(204 397 871)	46 657 871	215 817 114	14 580 806	230 397 920
Profit for the period	-	-	-	-	-	-	-	-	-	-	-	-	28 485 461	28 485 461	2 396 107	30 881 568
Other comprehensive (loss)/income	-	-	-	-	-	(9 456 236)	(9 456 236)	2 654 944	-	-	(14 594 501)	(21 395 793)	-	(21 395 793)	(1 139 736)	(22 535 529)
Total comprehensive (loss)/income for the period	-	-	-	-	-	(9 456 236)	(9 456 236)	2 654 944	-	-	(14 594 501)	(21 395 793)	28 485 461	7 089 668	1 256 371	8 346 039
Recognition of share based payments	-	-	-	-	-	-	-	-	-	850 033	-	850 033	-	850 033	-	850 033
Transfer to reserves	-	-	-	-	-	-	-	-	-	-	(1 021 424)	(1 021 424)	1 021 424	-	-	-
Balance at 30 June 2019	30 938	304 829 584	9 635 352	60 560 000	(1 498 760)	373 557 114	(270 252 720)	-	(2 406 602)	7 527 352	39 166 915	(225 965 055)	76 164 756	223 756 815	15 837 177	239 593 992

Note

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BAYPORT MANAGEMENT LTD
UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2019

UNAUDITED CONDENSED STATEMENT OF CASH FLOWS

Figures in US Dollar	Note	Six months ended	
		30-Jun-19	30-Jun-18
Cash flows from operating activities			
Profit before taxation		40 991 794	37 715 303
Adjustments for:			
Share of profit of associates	5	(1 780 187)	(2 281 377)
Depreciation and amortisation		4 330 471	2 867 172
(Profit)/Loss on disposal of property and equipment and intangible assets		(28 780)	4 261
Unrealised exchange (profit)/loss		(26 977 043)	2 791 221
Finance costs		72 234 103	56 454 244
Dividend income recognised in income statement		(18 073 334)	(4 746 246)
Increase in provision for credit impairment		13 173 074	11 614 429
Movement in provisions and share based payments		850 033	766 400
Operating cash flows before movements in working capital		84 720 131	105 185 407
Changes in working capital:			
Increase in other receivables		(8 441 155)	(8 795 050)
Increase in gross advances		(115 174 974)	(126 525 104)
Increase in deposits from customers		4 346 173	31 297 189
Increase in other payables		3 964 703	10 758 931
Cash (used in)/generated in operations		(30 585 122)	11 921 373
Dividend received		18 328 334	5 955 320
Finance costs paid		(71 154 999)	(56 508 055)
Tax paid		(13 511 349)	(14 430 321)
Net cash used in operating activities		(96 923 136)	(53 061 683)
Cash flows from investing activities			
Proceeds on disposal of property and equipment and intangible assets		66 760	965
Purchase of property and equipment and intangible assets	6	(19 388 139)	(6 039 828)
Net movement in amounts due from related parties		(23 773)	1 252 235
Net movement in investment in associates	5	(122 400)	-
Net cash flows used in investing activities		(19 467 552)	(4 786 628)
Cash flows from financing activities			
Proceeds from issue of bonds		262 547 870	-
Repayment of bonds		(22 536 595)	(13 127 963)
Proceeds from borrowings		194 632 391	122 253 459
Repayment of borrowings		(83 453 908)	(40 495 571)
Repayment of lease liabilities		(1 771 965)	(52 364)
Mark-to-Market receipts on forward contracts		19 201 751	-
Net cash flows generated by financing activities		368 619 544	68 577 561
Net increase in cash and cash equivalents		252 228 856	10 729 250
Net cash and cash equivalents at the beginning of the period		16 080 407	49 040 727
Effect of foreign exchange rate changes		(1 052 140)	(699 476)
Net cash and cash equivalents at the end of the period		267 257 123	59 070 501

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 a holding company to the following businesses involved in the provision of retail financial services:

Name of subsidiaries	Place of incorporation
Bayport Financial Services Limited	Zambia
Bayport Savings and Loans Limited	Ghana
Bayport Financial Services (Tanzania) Limited	Tanzania
Bayport Financial Services Uganda Limited	Uganda
Money Quest Investments (Proprietary) Limited	Botswana
Bayport Colombia S.A.	Colombia
Bayport Financial Services Mozambique (MCB), S.A	Mozambique
Actvest Mexico S.A.PI de C.V, E.N.R	Mexico
Financiera Fortaleza, S.A de C.V, SOFOM E.N.R	Mexico
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 Financial Services Namibia (Pty) Ltd (Dormant)	Namibia
Bayport Financial Services (USA), Inc.	United States
Sugaree Insurance Company Limited	Bermuda

The Company's registered office is at c/o DTOS Ltd, 10th Floor, Standard Chartered 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.

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

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 2018.

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. Loans and advances

Figures in US Dollar	30-Jun-19	31-Dec-18
Gross advances	1 018 369 222	933 262 231
Impairment provision	(70 904 310)	(62 560 012)
Net advances	947 464 912	870 702 219
Impairment provision		
Opening balance	62 560 012	68 212 555
Impairment recognised in profit or loss	11 093 304	17 167 405
Utilisation of allowance for impairment	(1 835 419)	(16 762 235)
Foreign exchange movements	(913 587)	(6 057 713)
Closing balance	70 904 310	62 560 012

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

Figures in US Dollar

5. Investments in associates

	30-Jun-19	31-Dec-18
Opening balance	116 034 222	134 179 442
Additions	122 400	-
Share of profits	1 780 187	3 416 719
Share of other comprehensive loss	-	(989 903)
Dividend	(255 000)	(2 176 630)
Movement in currency translation reserve	2 105 959	(18 395 406)
Closing balance	119 787 768	116 034 222

6. Property and equipment and intangible assets

During the period, the Group spent USD 19.4 million on office equipment, furniture and fittings, computer equipment, motor vehicles, leasehold improvements and intangible assets.

7. Right-of-use assets

The Group adopted IFRS 16 as from January 1, 2019 which changes the Group's Consolidated Financial Statements. Under IFRS 16 the majority of these leases became on-balance sheet liabilities with underlying right-of-use assets. The Group applied the modified retrospective approach, which requires the recognition of the cumulative effect of initially applying IFRS 16, as of January 1, 2019, to the retained earnings and not restate prior years. When doing so, the Group also made use of the practical expedient to not recognize a right-of-use asset or a lease liability for leases for which the lease term ends within 12 months of the date of initial application.

Since the Group recognized the right-of-use assets at the amount equal to the lease liabilities, there was no impact to the opening retained earnings.

8. Borrowings

	30-Jun-19	31-Dec-18
Corporate bonds	528 907 576	293 872 197
Other term loans	598 509 548	493 912 201
	1 127 417 124	787 784 398
Less: deferred transaction costs	(9 407 866)	(7 089 502)
Total borrowings	1 118 009 258	780 694 896

Corporate bonds

These bonds constitute direct, general, unconditional, subordinated and unsecured obligations of the Company. The SEK bonds are listed on the Nasdaq OMX Stockholm AB. During the year, the Group issued Social bonds of USD 260 million, carrying interest of 11.5% per annum.

Other term loans

During the period, the Company drew a further USD 50 million under the Overseas Private Investment Corporation ("OPIC") facility.

BAYPORT MANAGEMENT LTD
UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2019

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(continued)

Figures in US Dollar

9. Share capital and treasury shares

	30-Jun-19	31-Dec-18
Share capital	30 938	30 938
Share premium	304 829 584	304 829 584
Share application monies	9 635 352	9 635 352
Convertible equity instrument	60 560 000	60 560 000
Total share capital	375 055 874	375 055 874
Treasury shares	(1 498 760)	(1 498 760)
Total share capital and treasury shares	373 557 114	373 557 114
Number of shares	30 937 688	30 937 688

The above unaudited condensed consolidated Financial Statements are issued pursuant to Listing Rules 11.3 and 11.5 of the Stock Exchange of Mauritius Ltd, the Securities Act 2005 of Mauritius and Listing Rule 3.3 (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 consolidated Financial Statements.