

BAYPORT SECURITISATION (RF) LTD

# INVESTOR REPORT

NOVEMBER 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 November 2019

		Nov 19	Oct 19	Sep 19	Aug 19	Jul 19	Jun 19	May 19	Apr 19	Mar 19	Feb 19	Jan 19	Dec 18
<b>Performance ratios *</b>													
Total income as a % of ave gross loans and advances (excl. dividends)	%	<b>17.8%</b>	17.7%	17.6%	17.6%	17.6%	17.4%	17.5%	17.1%	17.2%	17.3%	17.3%	17.3%
Dividend income as a % of ave gross loans and advances	%	<b>0.7%</b>	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.8%	0.7%	0.8%
Total income as a % of ave gross loans and advances (incl. dividends)	%	<b>18.6%</b>	18.5%	18.4%	18.3%	18.3%	18.1%	18.2%	17.8%	17.9%	18.1%	18.0%	18.1%
Direct and indirect expenses to ave gross loans and advances	%	<b>4.5%</b>	4.7%	4.7%	4.7%	4.8%	4.9%	4.9%	5.0%	5.0%	5.1%	5.2%	5.2%
Direct and indirect expenses to total income (excl. dividends)	%	<b>25.5%</b>	26.5%	26.5%	26.9%	27.3%	27.9%	28.1%	29.2%	29.2%	29.4%	29.8%	30.1%
Direct and indirect expenses to total income (incl. dividends)	%	<b>24.4%</b>	25.5%	25.4%	25.8%	26.3%	26.8%	27.0%	28.0%	28.0%	28.2%	28.7%	28.8%
Return on assets (incl. dividends)	%	<b>(2.8%)</b>	(2.7%)	(1.0%)	(0.6%)	(0.3%)	0.5%	0.3%	0.9%	1.6%	1.4%	1.0%	0.6%
Gearing ratio	times	<b>2.2</b>	2.2	2.2	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1
Interest margin	%	<b>10.4%</b>	10.3%	10.2%	10.2%	10.2%	10.0%	10.0%	9.6%	9.7%	9.8%	9.8%	9.8%
<b>Income statement extract</b>													
Interest income	R '000	<b>78 247</b>	82 451	73 728	77 181	78 208	71 963	92 603	67 212	63 125	64 849	67 223	67 518
Non-interest revenue (excl. dividends)	R '000	<b>5 134</b>	5 374	5 184	4 844	5 472	4 654	5 152	4 936	4 561	5 061	5 039	5 229
Dividend income	R '000	<b>3 229</b>	2 040	3 431	3 146	2 016	2 502	2 001	4 003	4 778	3 522	4 100	4 818
<b>Total income</b>	R '000	<b>86 610</b>	89 865	82 343	85 171	85 696	79 119	99 756	76 151	72 464	73 432	76 362	77 565
Interest expenses	R '000	<b>(29 489)</b>	(30 895)	(28 223)	(29 189)	(28 841)	(27 135)	(28 083)	(27 123)	(26 598)	(24 081)	(26 725)	(28 201)
Direct and indirect expenses	R '000	<b>(10 650)</b>	(11 667)	(21 338)	(21 169)	(21 486)	(22 280)	(22 236)	(23 229)	(21 450)	(21 404)	(21 640)	(22 072)
<b>Total expenses</b>	R '000	<b>(40 139)</b>	(42 562)	(49 561)	(50 358)	(50 327)	(49 415)	(50 319)	(50 352)	(48 048)	(45 485)	(48 365)	(50 273)

\* 12 months rolling average

## Monthly Investor Report

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

		Nov 19	Oct 19	Sep 19	Aug 19	Jul 19	Jun 19	May 19	Apr 19	Mar 19	Feb 19	Jan 19	Dec 18
<b>Asset and credit quality ratios</b>													
Gross loans and advances	R '000	5 480 050	5 606 016	5 305 024	5 269 300	5 394 089	5 289 304	5 322 461	5 410 252	5 117 340	5 130 723	5 169 813	5 173 357
Non-performing loans ("NPLs")	R '000	1 856 053	1 848 645	1 839 857	1 828 343	1 821 716	1 807 710	1 810 433	1 811 286	1 815 358	1 815 768	1 787 032	1 763 333
Carrying value of written off book	R '000	206 515	205 375	204 530	203 819	202 635	201 732	201 232	199 868	199 445	199 281	199 749	199 749
Impairment provision	R '000	2 707 581	2 727 717	2 706 499	2 713 712	2 743 375	2 752 050	2 781 324	2 809 169	2 771 845	2 787 349	2 742 370	2 754 313
Net loans and advances	R '000	2 978 983	3 083 673	2 803 055	2 759 407	2 853 349	2 738 987	2 742 369	2 800 951	2 544 940	2 542 655	2 627 192	2 618 792
Number of loans on book		158 695	162 637	159 537	160 610	165 210	163 884	166 173	170 769	165 487	167 013	169 089	169 848
Non-performing loans ratio	%	33.9%	33.0%	34.7%	34.7%	33.8%	34.2%	34.0%	33.5%	35.5%	35.4%	34.6%	34.1%
Provision coverage	%	49.4%	48.7%	51.0%	51.5%	50.9%	52.0%	52.3%	51.9%	54.2%	54.3%	53.0%	53.2%
Investment in Zenthyme Investments (Proprietary) Limited	R '000	116 520	116 520	116 520	116 520	116 520	116 520	116 520	116 520	116 520	116 520	116 520	116 520
<b>Funding and cash reserves</b>													
Interest bearing liabilities	R '000	3 168 625	3 227 342	3 156 975	3 014 394	2 994 548	2 832 673	2 886 179	2 840 755	2 571 638	2 758 684	2 593 326	2 644 159
Average cost of borrowings	%	11.9%	12.0%	12.0%	12.1%	12.1%	12.1%	12.1%	12.1%	12.1%	12.1%	12.1%	12.1%
Cash and cash equivalents	R '000	539 319	440 115	655 679	630 816	477 646	504 356	525 380	397 929	487 365	652 646	419 224	458 402

## Monthly Investor Report

### Origination

		% change MOM	Nov 19	Oct 19	Sep 19	Aug 19	Jul 19	Jun 19	May 19	Apr 19	Mar 19	Feb 19	Jan 19	Dec 18
Disbursements	R '000	(4.3%)	167 255	174 799	158 341	176 334	185 431	157 065	178 289	139 058	120 731	117 912	128 608	130 183
Number of new loans		(0.2%)	5 177	5 188	4 597	5 022	5 397	4 732	5 404	4 445	4 035	3 887	4 204	4 151
Average loan value at acquisition	Rand	(4.1%)	32 307	33 693	34 444	35 112	34 358	33 192	32 992	31 284	29 921	30 335	30 592	31 362
Average term at acquisition	Months	(3.7%)	44.3	46.0	47.6	47.4	45.5	45.0	42.8	42.6	39.7	39.2	39.8	39.9

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

		% change MOM	Nov 19	Oct 19	Sep 19	Aug 19	Jul 19	Jun 19	May 19	Apr 19	Mar 19	Feb 19	Jan 19	Dec 18
Loan claims purchased	R '000	(89.1%)	47 506	436 147	173 576	50 765	343 788	100 074	58 341	395 104	122 344	82 434	118 384	82 801
Number of loans purchased		(86.0%)	1 513	10 782	5 430	958	10 519	2 946	1 151	11 100	4 248	3 281	5 664	2 494
Average loan value purchased	Rand	(22.4%)	31 399	40 451	31 966	52 991	32 683	33 969	50 687	35 595	28 800	25 125	20 901	33 200
Average term of loans purchased	Months	(2.4%)	43.9	45.0	44.1	69.3	40.3	45.5	66.6	44.4	41.3	40.9	39.2	39.9

\* 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%	22%	8%	8%
Free State	5%	3%	5%	5%
Gauteng	46%	34%	46%	45%
Kwazulu-Natal	12%	26%	13%	13%
Limpopo	4%	1%	5%	5%
Mpumulanga	5%	1%	5%	5%
Northern Cape	0%	1%	2%	2%
North-West	5%	8%	4%	5%
Western Cape	12%	4%	12%	12%
<b>Grand Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

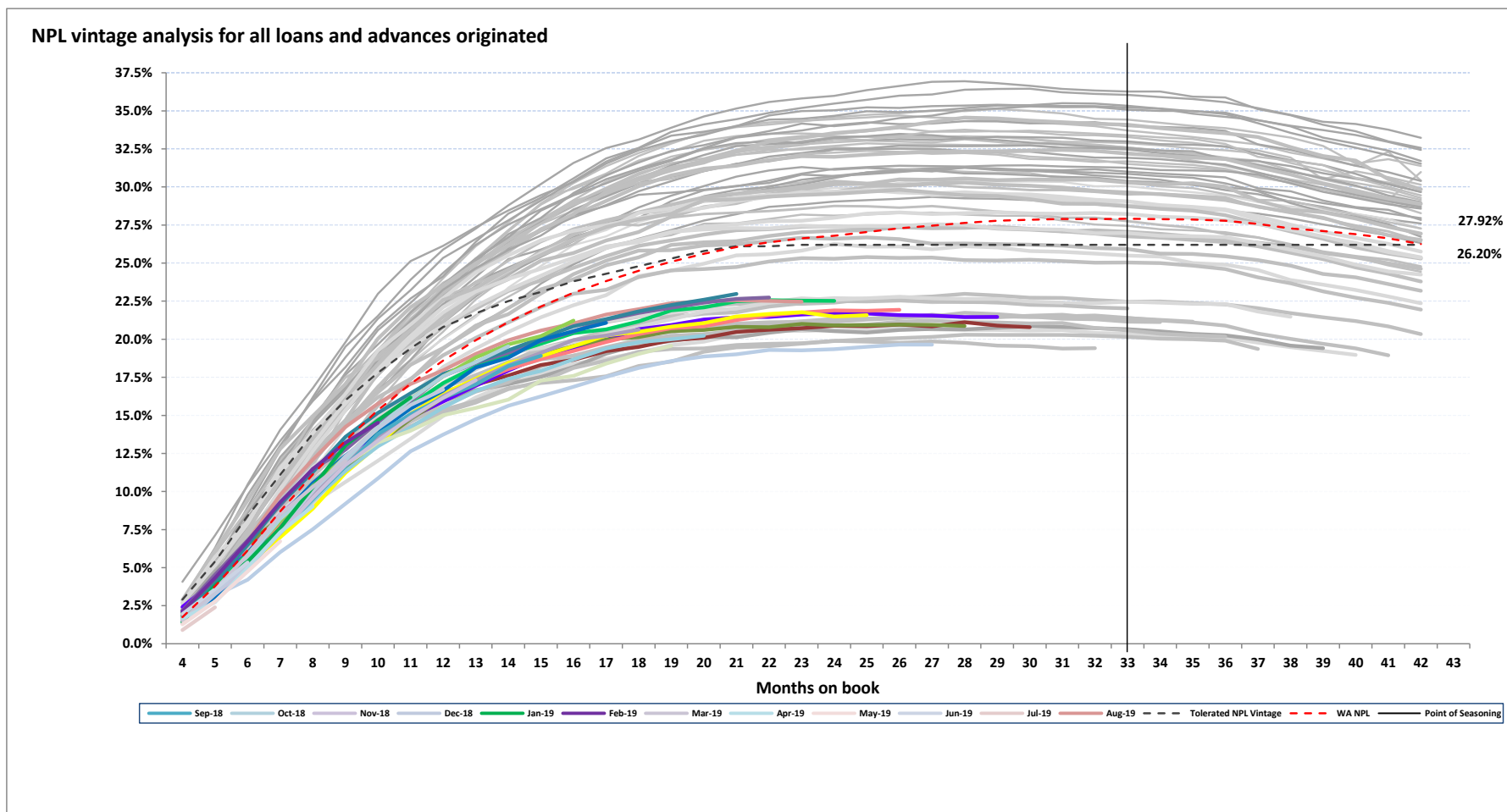
## Monthly Investor Report

### Asset quality

	% change MOM	Nov 19 R'000	Oct 19 R'000	Sep 19 R'000	Aug 19 R'000	Jul 19 R'000	Jun 19 R'000	May 19 R'000	Apr 19 R'000	Mar 19 R'000	Feb 19 R'000	Jan 19 R'000	Dec 18 R'000
<b>Gross loans and advances</b>	(2.2%)	<b>5 480 050</b>	5 606 016	5 305 024	5 269 300	5 394 089	5 289 304	5 322 461	5 410 252	5 117 340	5 130 723	5 169 813	5 173 357
Performing loans	(3.5%)	<b>3 623 997</b>	3 757 371	3 465 167	3 440 956	3 572 373	3 481 594	3 512 028	3 598 966	3 301 982	3 314 955	3 382 781	3 410 024
Non-performing loans	0.4%	<b>1 856 053</b>	1 848 645	1 839 857	1 828 343	1 821 716	1 807 710	1 810 433	1 811 286	1 815 358	1 815 768	1 787 032	1 763 333
<b>Impairment provision</b>													
Opening balance	0.8%	<b>2 727 717</b>	2 706 499	2 713 712	2 743 375	2 752 050	2 781 324	2 809 169	2 771 845	2 787 349	2 742 370	2 754 313	2 721 179
Bad debt written-off	(1.8%)	<b>(60 720)</b>	(61 860)	(59 130)	(59 586)	(81 425)	(61 465)	(62 745)	(45 408)	(45 592)	(46 447)	(43 434)	(28 841)
Provision raised	(51.1%)	<b>40 584</b>	83 078	51 917	29 923	72 750	32 191	34 900	82 732	30 088	91 426	31 491	61 975
Closing balance	(0.7%)	<b>2 707 581</b>	2 727 717	2 706 499	2 713 712	2 743 375	2 752 050	2 781 324	2 809 169	2 771 845	2 787 349	2 742 370	2 754 313

# Monthly Investor Report

## Asset quality (continued)



## Monthly Investor Report

### Asset quality (continued)

#### Reported under IFRS 9

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

	Nov 19 %	Oct 19 %	Sep 19 %	Aug 19 %	Jul 19 %	Jun 19 %	May 19 %	Apr 19 %	Mar 19 %	Feb 19 %	Jan 19 %	Dec 18 %
<b>For all loans and advances originated</b>												
0	59.8%	60.0%	59.7%	59.5%	59.2%	59.1%	59.8%	59.3%	58.7%	58.4%	59.0%	59.4%
1	3.7%	3.5%	3.5%	3.6%	4.0%	4.2%	3.6%	3.7%	3.8%	4.1%	4.2%	3.9%
2	2.9%	2.8%	2.9%	3.1%	3.0%	2.9%	2.9%	2.9%	3.3%	3.2%	3.1%	3.2%
3	2.6%	2.7%	2.7%	2.7%	2.6%	2.6%	2.5%	2.7%	2.6%	2.7%	2.7%	2.7%
4 +	31.0%	31.0%	31.2%	31.1%	31.2%	31.2%	31.2%	31.4%	31.6%	31.6%	31.0%	30.8%
<b>For Bayport Securitisation (RF) Ltd</b>												
0	56.5%	57.7%	55.6%	55.3%	56.0%	55.9%	56.6%	57.0%	54.4%	54.0%	54.8%	55.8%
1	3.8%	3.6%	3.7%	3.8%	4.2%	4.3%	3.7%	3.7%	3.9%	4.3%	4.4%	4.0%
2	3.0%	2.9%	3.1%	3.3%	3.2%	2.9%	3.0%	3.0%	3.4%	3.4%	3.3%	3.3%
3	2.8%	2.8%	2.9%	2.9%	2.8%	2.7%	2.7%	2.8%	2.8%	2.9%	2.9%	2.8%
4 +	33.9%	33.0%	34.7%	34.7%	33.8%	34.2%	34.0%	33.5%	35.5%	35.4%	34.6%	34.1%
<b>Monthly loans and advances movement</b>												
	Nov 19 %	Oct 19 %	Sep 19 %	Aug 19 R'000	Jul 19 R'000	Jun 19 R'000	May 19 R'000	Apr 19 R'000	Mar 19 R'000	Feb 19 R'000	Jan 19 R'000	Dec 18 R'000
Opening balance	5 606 016	5 305 024	5 269 300	5 394 089	5 289 304	5 322 461	5 410 252	5 117 340	5 130 723	5 169 813	5 173 357	5 190 683
Disbursements	47 506	436 147	173 576	50 765	343 788	100 074	58 341	395 104	122 344	82 434	118 384	82 801
Interest and other similar income	80 330	79 730	74 370	74 536	76 705	78 020	74 255	80 318	70 935	71 730	72 795	69 171
Non-interest revenue and other movements	(33 738)	12 874	(9 566)	(29 223)	(69 060)	(5 992)	(5 028)	14 564	(17 679)	(7 954)	(11 297)	5 919
Collections	(159 344)	(165 899)	(143 526)	(161 281)	(165 223)	(143 794)	(152 614)	(151 666)	(143 391)	(138 853)	(139 992)	(146 376)
Bad debt write-offs and write-backs	(60 720)	(61 860)	(59 130)	(59 586)	(81 425)	(61 465)	(62 745)	(45 408)	(45 592)	(46 447)	(43 434)	(28 841)
Closing balance	5 480 050	5 606 016	5 305 024	5 269 300	5 394 089	5 289 304	5 322 461	5 410 252	5 117 340	5 130 723	5 169 813	5 173 357

## Monthly Investor Report

### Liquidity and funding

<b>Funding</b>	% change MOM	<b>Nov 19</b> <b>R'000</b>	Oct 19 R'000	Sep 19 R'000	Aug 19 R'000	Jul 19 R'000	Jun 19 R'000	May 19 R'000	Apr 19 R'000	Mar 19 R'000	Feb 19 R'000	Jan 19 R'000	Dec 18 R'000
Class A Notes (senior)	(0.0%)	<b>2 304 667</b>	2 304 667	2 304 667	2 194 727	2 194 727	2 049 330	2 049 330	2 049 330	1 877 174	1 877 174	1 877 174	1 877 174
Class B Notes (mezzanine)	0.0%	<b>525 000</b>	525 000	477 000	442 000	442 000	442 000	442 000	442 000	442 000	442 000	442 000	442 000
Other subordinated funding	(14.8%)	<b>338 958</b>	397 675	375 308	377 667	357 822	341 343	394 849	349 425	252 464	439 510	274 152	324 985
<b>Total interest bearing liabilities</b>	<b>(1.8%)</b>	<b>3 168 625</b>	3 227 342	3 156 975	3 014 394	2 994 549	2 832 673	2 886 179	2 840 755	2 571 638	2 758 684	2 593 326	2 644 159
Average cost of borrowings	(0.4%)	<b>11.9%</b>	12.0%	12.0%	12.1%	12.1%	12.1%	12.1%	12.1%	12.1%	12.1%	12.1%	12.1%
Cash and cash equivalents	22.5%	<b>539 319</b>	440 115	655 679	630 816	477 646	504 356	525 380	397 929	487 365	652 646	419 224	458 402



## Monthly Investor Report

### Liquidity and funding (continued)

Instrument	Coupon rate	Class	Nominal amount at issue	Month end principal balance	Issue date	Maturity date
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	150 208 729	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	48 430 352	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	20 913 762	2017/12/01	2020/09/30
BAYA66	3-month JIBAR plus 4.400%	A	218 000 000	118 176 558	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	160 000 000	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
BAYA72 TAP	12.180%	A	50 000 000	50 000 000	2019/09/30	2026/03/31
BAYA73	3-month JIBAR plus 3.94%	A	412 000 000	352 303 776	2019/04/01	2022/03/31
BAYA74	3-month JIBAR plus 3.80%	A	125 000 000	120 197 317	2019/07/01	2022/03/31
BAYA75	3-month JIBAR plus 3.65%	A	140 000 000	129 936 939	2019/07/01	2022/07/01
BAYA76	3-month JIBAR plus 3.65%	A	30 062 075	27 999 492	2019/07/01	2022/07/01
BAYA77	3-month JIBAR plus 3.75%	A	200 000 000	200 000 000	2019/09/30	2022/09/30
<b>Subtotal Class A notes</b>			<b>2 959 562 075</b>	<b>2 304 666 925</b>		
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
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
BAYB16	3-month JIBAR plus 6.500%	B	48 000 000	48 000 000	2019/10/10	2023/09/30
BAYB17	3-month JIBAR plus 6.250%	B	35 000 000	35 000 000	2019/09/30	2022/09/30
BAYB18	3-month JIBAR plus 6.250%	B	20 000 000	20 000 000	2019/09/30	2022/09/30
BAYB19	3-month JIBAR plus 6.250%	B	115 000 000	115 000 000	2019/09/30	2022/09/30
<b>Subtotal Class B notes</b>			<b>525 000 000</b>	<b>525 000 000</b>		
<b>Total</b>			<b>3 484 562 075</b>	<b>2 829 666 925</b>		

## Monthly Investor Report

### Covenant compliance

	Current requirement	Nov 19	Oct 19	Sep 19	Aug 19	Jul 19	Jun 19	May 19	Apr 19	Mar 19	Feb 19	Jan 19	Dec 18
<b>Financial covenants</b>													
Senior Debt Cash Flow Cover Ratio	≥ 1.50 times	2.2	2.2	1.9	2.1	2.2	2.0	2.1	2.2	2.2	2.3	2.1	2.1
Senior Debt Interest Cover Ratio	≥ 3.50 times	4.7	4.5	4.6	4.5	4.5	4.6	4.4	4.6	4.5	5.0	4.6	4.2
Senior Debt to Net Qualifying Asset Value	≤ 70.0%	65.5%	65.4%	66.6%	64.7%	65.9%	63.2%	62.7%	64.1%	61.9%	58.7%	61.6%	61.0%
Bad and Doubtful Debt Ratio	≤ 17.5%	10.5%	10.0%	9.2%	9.0%	8.5%	8.0%	8.2%	7.2%	7.1%	7.1%	7.0%	6.3%
Equity invested in the Company by the Originator	> 22.5%	32.7%	33.2%	36.8%	38.1%	35.9%	37.9%	39.8%	37.4%	38.5%	45.2%	38.6%	38.1%
Cellular Contracts as a % of the Portfolio	≤ 10.0%	1.5%	1.5%	1.6%	1.7%	1.7%	1.7%	1.7%	1.7%	1.8%	1.8%	1.8%	1.9%

	Current requirement	Nov 19	Oct 19	Sep 19	Aug 19	Jul 19	Jun 19	May 19	Apr 19	Mar 19	Feb 19	Jan 19	Dec 18
<b>Cash reserves</b>													
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%	27.9%	28.0%	28.2%	28.4%	28.6%	28.7%	28.9%	27.1%	26.3%	26.7%	26.8%	26.8%
Reserve required (R'000)		12 780	14 202	13 709	60 507	67 278	69 313	73 615	6 165	363	3 482	3 646	3 893
Asset performance reserve													
Collections ratio	≥ 80.75%	117.8%	117.6%	117.6%	119.3%	117.9%	117.6%	117.1%	119.0%	120.4%	120.6%	122.9%	123.3%
Reserve required (R'000)		-	-	-	-	-	-	-	-	-	-	-	-
Reserved cash (R'000)		237 220	235 798	236 291	189 493	182 722	180 687	176 385	243 835	249 637	246 518	246 354	246 107
Expected collections (6 month average) (R'000)		86 579	86 121	85 391	84 666	83 972	82 529	82 409	82 396	82 837	85 128	87 133	89 296
Actual receipts (6 month average) (R'000)		102 001	101 262	100 440	100 969	98 979	97 072	96 504	98 083	99 722	102 690	107 102	110 118
Capital redemption reserve (R'000)		-	-	-	-	-	-	-	-	150 000	125 000	100 000	75 000

## 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