

BAYPORT SECURITISATION (RF) LTD

INVESTOR REPORT

JANUARY 2020

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 January 2020

		Jan 20	Dec 19	Nov 19	Oct 19	Sep 19	Aug 19	Jul 19	Jun 19	May 19	Apr 19	Mar 19	Feb 19
Performance ratios *													
Total income as a % of ave gross loans and advances (excl. dividends)	%	18.2%	18.0%	17.8%	17.7%	17.6%	17.6%	17.6%	17.4%	17.5%	17.1%	17.2%	17.3%
Dividend income as a % of ave gross loans and advances	%	0.7%	0.8%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.8%
Total income as a % of ave gross loans and advances (incl. dividends)	%	18.9%	18.8%	18.6%	18.5%	18.4%	18.3%	18.3%	18.1%	18.2%	17.8%	17.9%	18.1%
Direct and indirect expenses to ave gross loans and advances	%	4.2%	4.4%	4.5%	4.7%	4.7%	4.7%	4.8%	4.9%	4.9%	5.0%	5.0%	5.1%
Direct and indirect expenses to total income (excl. dividends)	%	23.1%	24.4%	25.5%	26.5%	26.5%	26.9%	27.3%	27.9%	28.1%	29.2%	29.2%	29.4%
Direct and indirect expenses to total income (incl. dividends)	%	22.2%	23.4%	24.4%	25.5%	25.4%	25.8%	26.3%	26.8%	27.0%	28.0%	28.0%	28.2%
Return on assets (incl. dividends)	%	(1.2%)	(0.7%)	(2.8%)	(2.7%)	(1.0%)	(0.6%)	(0.3%)	0.5%	0.3%	0.9%	1.6%	1.4%
Gearing ratio	times	2.2	2.2	2.2	2.2	2.2	2.1	2.1	2.1	2.1	2.1	2.1	2.1
Interest margin	%	10.7%	10.5%	10.4%	10.3%	10.2%	10.2%	10.2%	10.0%	10.0%	9.6%	9.7%	9.8%
Income statement extract													
Interest income	R '000	80 536	81 203	78 247	82 451	73 728	77 181	78 208	71 963	92 603	67 212	63 125	64 849
Non-interest revenue (excl. dividends)	R '000	4 819	6 098	5 134	5 374	5 184	4 844	5 472	4 654	5 152	4 936	4 561	5 061
Dividend income	R '000	3 530	5 370	3 229	2 040	3 431	3 146	2 016	2 502	2 001	4 003	4 778	3 522
Total income	R '000	88 885	92 671	86 610	89 865	82 343	85 171	85 696	79 119	99 756	76 151	72 464	73 432
Interest expenses	R '000	(29 454)	(31 032)	(29 489)	(30 895)	(28 223)	(29 189)	(28 841)	(27 135)	(28 083)	(27 123)	(26 598)	(24 081)
Direct and indirect expenses	R '000	(11 960)	(15 833)	(10 650)	(11 667)	(21 338)	(21 169)	(21 486)	(22 280)	(22 236)	(23 229)	(21 450)	(21 404)
Total expenses	R '000	(41 414)	(46 866)	(40 139)	(42 562)	(49 561)	(50 358)	(50 327)	(49 415)	(50 319)	(50 352)	(48 048)	(45 485)

* 12 months rolling average

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Financial statistics for the period ended January 2020 (continued)

		Jan 20	Dec 19	Nov 19	Oct 19	Sep 19	Aug 19	Jul 19	Jun 19	May 19	Apr 19	Mar 19	Feb 19
Asset and credit quality ratios													
Gross loans and advances	R '000	5 418 288	5 383 937	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
Non-performing loans ("NPLs")	R '000	1 870 228	1 848 573	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
Carrying value of written off book	R '000	208 579	207 660	206 515	205 375	204 530	203 819	202 635	201 732	201 232	199 868	199 445	199 281
Impairment provision	R '000	2 755 673	2 721 408	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
Net loans and advances	R '000	2 871 194	2 870 189	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
Number of loans on book		153 041	153 955	158 695	162 637	159 537	160 610	165 210	163 884	166 173	170 769	165 487	167 013
Non-performing loans ratio	%	34.5%	34.3%	33.9%	33.0%	34.7%	34.7%	33.8%	34.2%	34.0%	33.5%	35.5%	35.4%
Provision coverage	%	50.9%	50.5%	49.4%	48.7%	51.0%	51.5%	50.9%	52.0%	52.3%	51.9%	54.2%	54.3%
Investment in Zenthyme Investments (Proprietary) Limited	R '000	95 474	95 474	116 520	116 520	116 520	116 520	116 520	116 520	116 520	116 520	116 520	116 520
Funding and cash reserves													
Interest bearing liabilities	R '000	3 105 635	3 211 902	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
Average cost of borrowings	%	11.8%	11.9%	11.9%	12.0%	12.0%	12.1%	12.1%	12.1%	12.1%	12.1%	12.1%	12.1%
Cash and cash equivalents	R '000	775 124	900 622	539 319	440 115	655 679	630 816	477 646	504 356	525 380	397 929	487 365	652 646

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Origination

		% change MOM	Jan 20	Dec 19	Nov 19	Oct 19	Sep 19	Aug 19	Jul 19	Jun 19	May 19	Apr 19	Mar 19	Feb 19
Disbursements	R '000	5.8%	124 945	118 080	167 255	174 799	158 341	176 334	185 431	157 065	178 289	139 058	120 731	117 912
Number of new loans		2.6%	3 948	3 847	5 177	5 188	4 597	5 022	5 397	4 732	5 404	4 445	4 035	3 887
Average loan value at acquisition	Rand	3.1%	31 648	30 694	32 307	33 693	34 444	35 112	34 358	33 192	32 992	31 284	29 921	30 335
Average term at acquisition	Months	(1.4%)	42.9	43.5	44.3	46.0	47.6	47.4	45.5	45.0	42.8	42.6	39.7	39.2

Loan claims purchased by Bayport Securitisation (RF) Ltd *

		% change MOM	Jan 20	Dec 19	Nov 19	Oct 19	Sep 19	Aug 19	Jul 19	Jun 19	May 19	Apr 19	Mar 19	Feb 19
Loan claims purchased	R '000	385.7%	165 774	34 131	47 506	436 147	173 576	50 765	343 788	100 074	58 341	395 104	122 344	82 434
Number of loans purchased		414.3%	5 745	1 117	1 513	10 782	5 430	958	10 519	2 946	1 151	11 100	4 248	3 281
Average loan value purchased	Rand	(5.6%)	28 855	30 556	31 399	40 451	31 966	52 991	32 683	33 969	50 687	35 595	28 800	25 125
Average term of loans purchased	Months	(1.5%)	41.8	42.5	43.9	45.0	44.1	69.3	40.3	45.5	66.6	44.4	41.3	40.9

* 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	10%	23%	8%	8%
Free State	5%	2%	5%	5%
Gauteng	45%	31%	46%	46%
Kwazulu-Natal	12%	28%	13%	13%
Limpopo	4%	1%	5%	5%
Mpumulanga	5%	1%	5%	5%
Northern Cape	2%	1%	2%	2%
North-West	5%	8%	4%	4%
Western Cape	12%	5%	12%	12%
Grand Total	100%	100%	100%	100%

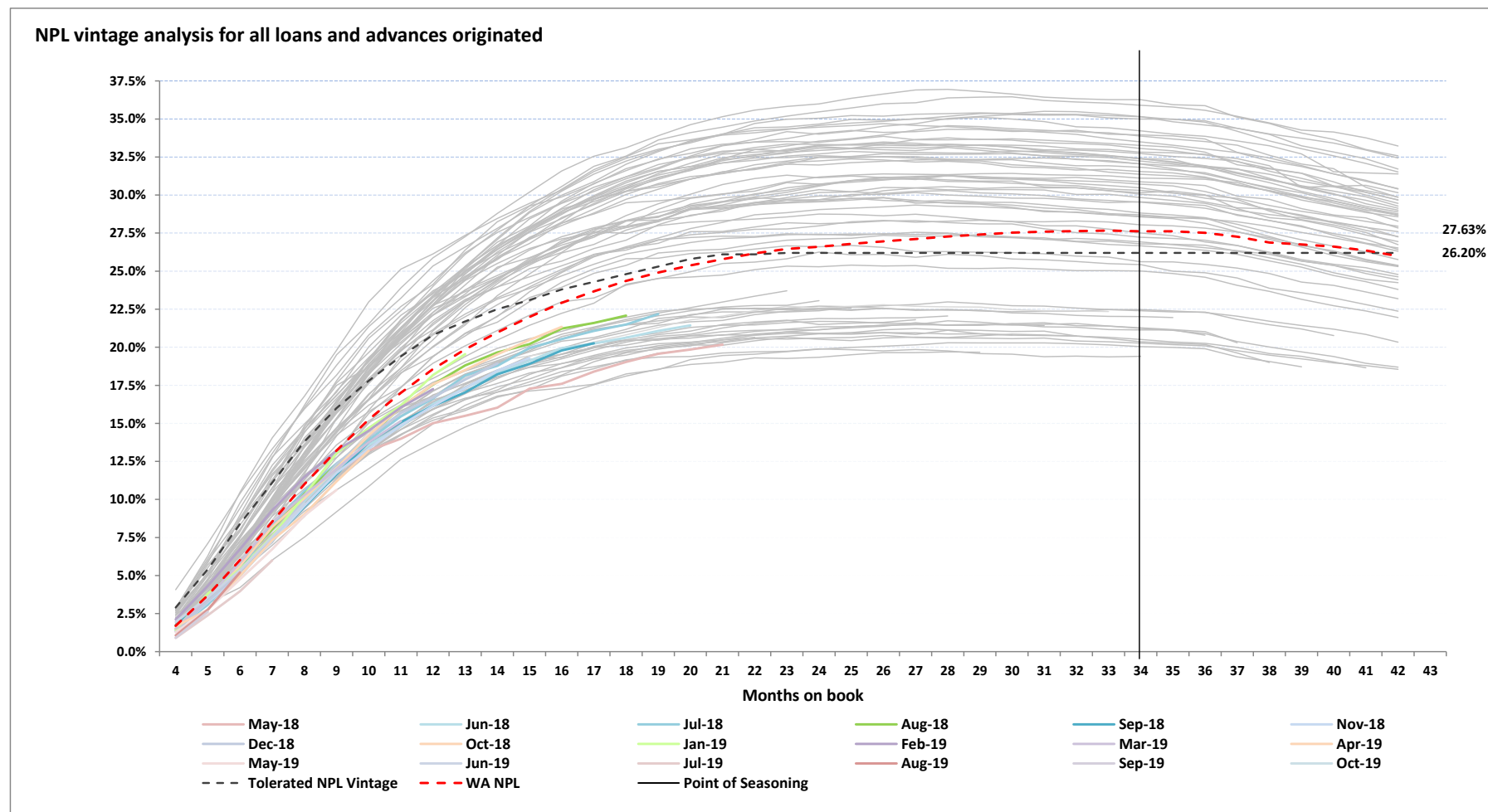
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Asset quality

	% change MOM	Jan 20 R'000	Dec 19 R'000	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
Gross loans and advances	0.6%	5 418 288	5 383 937	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
Performing loans	0.4%	3 548 060	3 535 365	3 623 997	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
Non-performing loans	1.2%	1 870 228	1 848 573	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
Impairment provision													
Opening balance	0.5%	2 721 408	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
Bad debt written-off	(11.2%)	(59 973)	(67 558)	(60 720)	(61 860)	(59 130)	(59 586)	(81 425)	(61 465)	(62 745)	(45 408)	(45 592)	(46 447)
Provision raised	15.8%	94 239	81 385	40 584	83 078	51 917	29 923	72 750	32 191	34 900	82 732	30 088	91 426
Closing balance	1.3%	2 755 673	2 721 408	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

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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)

	Jan 20	Dec 19	Nov 19	Oct 19	Sep 19	Aug 19	Jul 19	Jun 19	May 19	Apr 19	Mar 19	Feb 19
	%	%	%	%	%	%	%	%	%	%	%	%
For all loans and advances originated												
0	58.5%	59.6%	59.8%	60.0%	59.7%	59.5%	59.2%	59.1%	59.8%	59.3%	58.7%	58.4%
1	4.3%	3.9%	3.7%	3.5%	3.5%	3.6%	4.0%	4.2%	3.6%	3.7%	3.8%	4.1%
2	3.2%	2.9%	2.9%	2.8%	2.9%	3.1%	3.0%	2.9%	2.9%	2.9%	3.3%	3.2%
3	2.7%	2.6%	2.6%	2.7%	2.7%	2.7%	2.6%	2.6%	2.5%	2.7%	2.6%	2.7%
4 +	31.3%	31.0%	31.0%	31.0%	31.2%	31.1%	31.2%	31.2%	31.2%	31.4%	31.6%	31.6%
For Bayport Securitisation (RF) Ltd												
	Jan 20	Dec 19	Nov 19	Oct 19	Sep 19	Aug 19	Jul 19	Jun 19	May 19	Apr 19	Mar 19	Feb 19
	%	%	%	%	%	%	%	%	%	%	%	%
0	54.9%	55.9%	56.5%	57.7%	55.6%	55.3%	56.0%	55.9%	56.6%	57.0%	54.4%	54.0%
1	4.5%	4.1%	3.8%	3.6%	3.7%	3.8%	4.2%	4.3%	3.7%	3.7%	3.9%	4.3%
2	3.3%	3.0%	3.0%	2.9%	3.1%	3.3%	3.2%	2.9%	3.0%	3.0%	3.4%	3.4%
3	2.8%	2.7%	2.8%	2.8%	2.9%	2.9%	2.8%	2.7%	2.7%	2.8%	2.8%	2.9%
4 +	34.5%	34.3%	33.9%	33.0%	34.7%	34.7%	33.8%	34.2%	34.0%	33.5%	35.5%	35.4%
Monthly loans and advances movement												
	Jan 20	Dec 19	Nov 19	Oct 19	Sep 19	Aug 19	Jul 19	Jun 19	May 19	Apr 19	Mar 19	Feb 19
	%	%	%	%	%	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	5 383 937	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
Disbursements	165 774	34 131	47 506	436 147	173 576	50 765	343 788	100 074	58 341	395 104	122 344	82 434
Interest and other similiar income	79 187	76 363	80 330	79 730	74 370	74 536	76 705	78 020	74 255	80 318	70 935	71 730
Non-interest revenue and other movements	(15 281)	733	(33 738)	12 874	(9 566)	(29 223)	(69 060)	(5 992)	(5 028)	14 564	(17 679)	(7 954)
Collections	(135 356)	(139 782)	(159 344)	(165 899)	(143 526)	(161 281)	(165 223)	(143 794)	(152 614)	(151 666)	(143 391)	(138 853)
Bad debt write-offs and write-backs	(59 973)	(67 558)	(60 720)	(61 860)	(59 130)	(59 586)	(81 425)	(61 465)	(62 745)	(45 408)	(45 592)	(46 447)
Closing balance	5 418 288	5 383 937	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

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Liquidity and funding

Funding	% change MOM	Jan 20 R'000	Dec 19 R'000	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
Class A Notes (senior)	(6.8%)	2 158 511	2 158 511	2 304 667	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
Class B Notes (mezzanine)	0.0%	525 000	525 000	525 000	525 000	477 000	442 000	442 000	442 000	442 000	442 000	442 000	442 000
Other subordinated funding	35.9%	422 124	528 391	338 958	397 675	375 308	377 667	357 822	341 343	394 849	349 425	252 464	439 510
Total interest bearing liabilities	1.4%	3 105 635	3 211 902	3 168 625	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
Average cost of borrowings	(0.3%)	11.8%	11.9%	11.9%	12.0%	12.0%	12.1%	12.1%	12.1%	12.1%	12.1%	12.1%	12.1%
Cash and cash equivalents	(13.9%)	775 124	900 622	539 319	440 115	655 679	630 816	477 646	504 356	525 380	397 929	487 365	652 646

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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	101 694 285	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	36 839 336	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	15 900 777	2017/12/01	2020/09/30
BAYA66	3-month JIBAR plus 4.400%	A	218 000 000	99 875 550	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	321 319 172	2019/04/01	2022/03/31
BAYA74	3-month JIBAR plus 3.80%	A	125 000 000	115 300 621	2019/07/01	2024/07/01
BAYA75	3-month JIBAR plus 3.65%	A	140 000 000	119 643 951	2019/07/01	2022/07/01
BAYA76	3-month JIBAR plus 3.65%	A	30 062 075	25 781 505	2019/07/01	2022/07/01
BAYA77	3-month JIBAR plus 3.75%	A	200 000 000	185 655 963	2019/09/30	2022/09/30
Subtotal Class A notes			2 959 562 075	2 158 511 160		
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	2024/09/30
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
Subtotal Class B notes			525 000 000	525 000 000		
Total			3 484 562 075	2 683 511 160		

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Covenant compliance

	Current requirement	Jan 20	Dec 19	Nov 19	Oct 19	Sep 19	Aug 19	Jul 19	Jun 19	May 19	Apr 19	Mar 19	Feb 19
Financial covenants													
Senior Debt Cash Flow Cover Ratio	≥ 1.50 times	1.8	2.1	2.2	2.2	1.9	2.1	2.2	2.0	2.1	2.2	2.2	2.3
Senior Debt Interest Cover Ratio	≥ 3.50 times	4.8	4.5	4.7	4.5	4.6	4.5	4.5	4.6	4.4	4.6	4.5	5.0
Senior Debt to Net Qualifying Asset Value	≤ 70.0%	59.2%	57.2%	65.5%	65.4%	66.6%	64.7%	65.9%	63.2%	62.7%	64.1%	61.9%	58.7%
Bad and Doubtful Debt Ratio	≤ 17.5%	10.9%	10.5%	10.5%	10.0%	9.2%	9.0%	8.5%	8.0%	8.2%	7.2%	7.1%	7.1%
Equity invested in the Company by the Originator	> 22.5%	36.7%	41.1%	32.7%	33.2%	36.8%	38.1%	35.9%	37.9%	39.8%	37.4%	38.5%	45.2%
Cellular Contracts as a % of the Portfolio	≤ 10.0%	1.5%	1.5%	1.5%	1.5%	1.6%	1.7%	1.7%	1.7%	1.7%	1.7%	1.8%	1.8%

	Current requirement	Jan 20	Dec 19	Nov 19	Oct 19	Sep 19	Aug 19	Jul 19	Jun 19	May 19	Apr 19	Mar 19	Feb 19
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%	27.6%	27.8%	27.9%	28.0%	28.2%	28.4%	28.6%	28.7%	28.9%	27.1%	26.3%	26.7%
Reserve required (R'000)		10 238	11 242	12 780	14 202	13 709	60 507	67 278	69 313	73 615	6 165	363	3 482
Asset performance reserve													
Collections ratio	≥ 80.75%	114.2%	116.0%	117.8%	117.6%	117.6%	119.3%	117.9%	117.6%	117.1%	119.0%	120.4%	120.6%
Reserve required (R'000)		-	-	-	-	-	-	-	-	-	-	-	-
Reserved cash (R'000)		239 762	238 758	237 220	235 798	236 291	189 493	182 722	180 687	176 385	243 835	249 637	246 518
Expected collections (6 month average) (R'000)		86 267	87 173	86 579	86 121	85 391	84 666	83 972	82 529	82 409	82 396	82 837	85 128
Actual receipts (6 month average) (R'000)		98 477	101 160	102 001	101 262	100 440	100 969	98 979	97 072	96 504	98 083	99 722	102 690
Capital redemption reserve (R'000)		-	-	-	-	-	-	-	-	-	-	150 000	125 000

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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