

**BAYPORT MANAGEMENT LTD**  
*(Registration number 54787 C1/GBL)*

**UNAUDITED CONDENSED CONSOLIDATED  
FINANCIAL STATEMENTS**

*for the twelve months ended 31 December 2022*



**BAYPORT MANAGEMENT LTD**  
**UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

As at 31 December 2022

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

Figures in US Dollar	Note	31-Dec-22	31-Dec-21
<b>Assets</b>			
Cash and bank balances		144 894 219	146 811 956
Reinsurance Asset		-	1 567 037
Other receivables		55 956 032	62 373 693
Derivative financial instruments		13 307 996	6 727 809
Current tax assets		15 479 626	16 360 496
Loans and advances	4	1 124 128 904	1 053 142 831
Other investments		46 814 485	34 033 545
Investment in associates		98 213 510	109 576 621
Goodwill		4 260 416	4 275 171
Property and equipment	5	6 107 394	7 835 818
Right-of-use assets		6 190 823	6 262 535
Intangible assets	5	43 146 172	48 359 254
Deferred tax assets		24 742 037	26 055 792
<b>Total Assets</b>		<b>1 583 241 614</b>	<b>1 523 382 558</b>
<b>Liabilities</b>			
Bank overdraft		4 153 005	21 012 425
Deposits from customers		112 462 088	104 466 846
Other payables		61 724 075	52 922 024
Current tax liabilities		5 174 992	8 635 385
Other financial liabilities		6 886 340	1 543 823
Reinsurance Liabilities		1 503 121	-
Lease liabilities		7 000 703	6 685 464
Borrowings-Senior	6	1 081 430 112	1 029 687 276
Borrowings-Subordinated	6	123 766 160	99 085 077
Deferred tax liabilities		4 821 314	2 795 960
<b>Total Liabilities</b>		<b>1 408 921 910</b>	<b>1 326 834 280</b>
<b>Equity</b>			
Share capital and treasury shares	7	399 255 343	399 543 505
Reserves		(311 660 312)	(275 845 399)
Retained earnings		84 358 462	67 782 223
Equity attributable to owners of the Company		171 953 493	191 480 329
Non-controlling interests		2 366 211	5 067 949
<b>Total Equity</b>		<b>174 319 704</b>	<b>196 548 278</b>
<b>Total Liabilities and Equity</b>		<b>1 583 241 614</b>	<b>1 523 382 558</b>

**BAYPORT MANAGEMENT LTD**  
**UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

For the twelve months ended 31 December 2022

**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT**

Figures in US Dollar	Note	Three months ended		Twelve months ended	
		31-Dec-22	31-Dec-21	31-Dec-22	31-Dec-21
Interest and other similar income		81 623 967	83 134 040	332 918 713	326 648 920
Interest and other similar expense		(49 293 279)	(45 867 806)	(190 973 297)	(171 718 509)
<b>Net interest income</b>		<b>32 330 688</b>	<b>37 266 234</b>	<b>141 945 416</b>	<b>154 930 411</b>
Lending related income		6 728 227	1 884 347	26 299 674	19 022 582
Income from insurance activities		683 640	130 289	2 217 788	3 152 308
Investment income		3 148 257	3 095 454	14 209 147	8 542 008
Other income		858 906	2 176 122	15 002 494	9 070 176
<b>Non-interest Income</b>		<b>11 419 030</b>	<b>7 286 212</b>	<b>57 729 103</b>	<b>39 787 074</b>
<b>Operating income</b>		<b>43 749 718</b>	<b>44 552 446</b>	<b>199 674 519</b>	<b>194 717 485</b>
Operating expenses		(35 735 554)	(30 968 357)	(132 862 844)	(129 152 876)
Foreign exchange gains/(losses)		1 077 062	653 975	122 424	(2 312 462)
<b>Operating profit before impairment on financial assets</b>		<b>9 091 226</b>	<b>14 238 064</b>	<b>66 934 099</b>	<b>63 252 147</b>
Impairment on financial assets		(2 863 406)	(1 484 737)	(16 164 425)	(18 565 577)
<b>Operating profit before share of post-tax results of associates</b>		<b>6 227 820</b>	<b>12 753 327</b>	<b>50 769 674</b>	<b>44 686 570</b>
Net gain on measurement of associates		-	163 424	-	163 424
Share of post-tax results of associates		4 809 851	(403 171)	1 994 596	(499 670)
<b>Operating profit before taxation</b>		<b>11 037 671</b>	<b>12 513 580</b>	<b>52 764 270</b>	<b>44 350 324</b>
Taxation	3	(6 787 993)	(8 945 345)	(32 448 380)	(28 093 503)
<b>Profit for the year</b>		<b>4 249 678</b>	<b>3 568 235</b>	<b>20 315 890</b>	<b>16 256 821</b>
<b>Attributable to:</b>					
Owners of the Company		3 869 811	2 859 744	18 429 496	12 628 758
Non-controlling interests		379 867	708 491	1 886 394	3 628 063
<b>Profit for the year</b>		<b>4 249 678</b>	<b>3 568 235</b>	<b>20 315 890</b>	<b>16 256 821</b>
<b>Earnings per share*</b>					
Basic earnings per share		0.11	0.08	0.54	0.37
Diluted earnings per share		0.11	0.08	0.53	0.36
Basic weighted average number of shares *		34 430 450	34 488 764	34 430 450	34 488 764
Diluted weighted average number of shares *		34 646 849	34 743 179	34 646 849	34 743 179

\* The basic and diluted weighted average number of shares excludes treasury shares and includes shares to be issued for convertible equity instruments

**BAYPORT MANAGEMENT LTD**  
**UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

For the twelve months ended 31 December 2022

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME**

Figures in US Dollar	Note	Three months ended		Twelve months ended	
		31-Dec-22	31-Dec-21	31-Dec-22	31-Dec-21
<b>Profit for the year</b>		<b>4 249 678</b>	<b>3 568 235</b>	<b>20 315 890</b>	<b>16 256 821</b>
<b>Other comprehensive income/(loss), net of taxation</b>					
<i>Items that will not be reclassified subsequently to profit or loss:</i>					
Net fair value gain on investments in equity instruments designated as at fair value through other comprehensive income		-	-	12 781 008	12 332 583
Share of other comprehensive loss of associates		1 255 646	4 296 332	1 255 646	3 930 246
<b>Total items that will not be reclassified subsequently to profit or loss</b>		<b>1 255 646</b>	<b>4 296 332</b>	<b>14 036 654</b>	<b>16 262 829</b>
<i>Items that may be reclassified subsequently to profit or loss:</i>					
Foreign exchange differences		(9 575 238)	(9 307 194)	(44 658 404)	6 936 973
Fair value (loss) arising on hedging instruments		(1 713 562)	(3 382 410)	(10 027 460)	2 517 994
<b>Total items that may be reclassified subsequently to profit or loss</b>		<b>(11 288 800)</b>	<b>(12 689 604)</b>	<b>(54 685 864)</b>	<b>9 454 967</b>
<b>Other comprehensive income/(loss) for the year, net of taxation</b>		<b>(10 033 154)</b>	<b>(8 393 272)</b>	<b>(40 649 210)</b>	<b>25 717 796</b>
<b>Total comprehensive income/(loss) for the year</b>		<b>(5 783 476)</b>	<b>(4 825 037)</b>	<b>(20 333 320)</b>	<b>41 974 617</b>
<b>Attributable to:</b>					
Owners of the Company		(5 522 666)	(4 796 761)	(21 334 634)	35 175 697
Non-controlling interests		(260 810)	(28 276)	1 001 314	6 798 920
<b>Total comprehensive income/(loss) for the year</b>		<b>(5 783 476)</b>	<b>(4 825 037)</b>	<b>(20 333 320)</b>	<b>41 974 617</b>

**BAYPORT MANAGEMENT LTD**  
**UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

For the twelve months ended 31 December 2022

**UNAUDITED CONDENSED STATEMENT OF CASH FLOWS**

Figures in US Dollar	Twelve months ended	
	31-Dec-22	31-Dec-21
<b>Cash flows from operating activities</b>		
Profit before taxation	52 764 270	44 350 324
<b>Adjustments for:</b>		
Share of post tax results of associates	(1 994 596)	499 670
Depreciation and amortisation	10 621 498	11 567 900
(Profit)/Loss on disposal of property and equipment and intangible assets	(26 024)	86 624
Unrealised exchange losses	14 583 315	5 066 784
Finance costs	190 973 297	171 718 509
Gain on lease modification	-	(358 671)
Dividends income	(6 327 883)	(6 108 153)
Profit on disposal of associates	(2 792 350)	-
Movement in provision for credit impairment	20 547 691	23 503 016
Movement in provisions for share based payments	89 416	1 496 408
Fair value (gain)/loss arising on associates	-	(163 424)
<b>Profit before tax adjusted for non-cash items</b>	<b>278 438 634</b>	<b>251 658 987</b>
Dividend received from equity instruments designated as at FVTOCI	5 017 208	6 108 153
Finance costs paid	(146 345 575)	(124 583 762)
Tax paid	(32 265 896)	(26 155 807)
<b>Cash generated by operations before changes in working capital</b>	<b>104 844 371</b>	<b>107 027 571</b>
<b>Changes in working capital:</b>		
(Increase)/decrease in other receivables	(7 865 099)	(819 933)
Increase in gross advances	(207 569 684)	(130 805 665)
Increase in deposits from customers	20 156 086	16 243 489
Increase in other payables	51 406 509	29 693 619
<b>Net cash used in operating activities</b>	<b>(39 027 817)</b>	<b>21 339 081</b>
<b>Cash flows from investing activities</b>		
Proceeds on disposal of property and equipment and intangible assets	1 225 069	270 644
Purchase of property and equipment and intangible assets	(3 861 845)	(4 187 487)
Net movement in amount due to associates	18 756	21 937
Cash inflow from associates on repayment of loans	1 227 079	-
Net cash flows from disposal of associate	12 355 595	-
<b>Net cash flows generated by/(used in) investing activities</b>	<b>10 964 654</b>	<b>(3 894 906)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issue of bonds	304 587 428	23 360 710
Repayment of bonds	(328 221 021)	(55 359 672)
Proceeds from borrowings	616 905 703	499 232 694
Repayment of borrowings	(526 270 990)	(508 143 401)
Repayment of lease liabilities	(2 204 212)	(2 718 198)
Dividend paid	(416 025)	(154 424)
Proceeds from buyback of shares	-	(14 163 962)
Movement in other reserves	(12 140 274)	(5 359)
<b>Net cash flows generated by financing activities</b>	<b>52 240 609</b>	<b>(57 951 612)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>24 177 446</b>	<b>(40 507 437)</b>
Cash and cash equivalents at the beginning of the year	125 799 531	170 683 007
Derecognition of subsidiary	-	(7 212 371)
Effect of foreign exchange rate changes	(9 235 763)	2 836 332
<b>Cash and cash equivalents at the end of the year</b>	<b>140 741 214</b>	<b>125 799 531</b>

**BAYPORT MANAGEMENT LTD**  
**UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
*For the twelve months ended 31 December 2022*

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

Figures in US Dollar	Share capital	Share premium	Share application monies	Convertible equity instrument	Treasury shares	Limited -voting B 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
<b>Balance at 01 January 2021</b>	31 384	315 336 346	104 937	60 560 000	(3 893 087)	30 000 000	402 139 580	(357 911 586)	-	(2 406 602)	4 380 024	41 186 658	(314 751 506)	68 668 593	156 056 667	15 995 860	172 052 527
Profit for the year	-	-	-	-	-	-	-	-	-	-	-	-	-	12 628 758	12 628 758	3 628 063	16 256 821
Other comprehensive (loss)/income	-	-	-	-	-	-	-	3 766 116	2 517 994	-	-	16 262 829	22 546 939	-	22 546 939	3 170 857	25 717 796
<b>Total comprehensive (loss)/income for the year</b>	-	-	-	-	-	-	-	3 766 116	2 517 994	-	-	16 262 829	22 546 939	12 628 758	35 175 697	6 798 920	41 974 617
Issue of shares	10	104 927	-	-	-	-	104 937	-	-	-	-	-	-	-	104 937	10 000	114 937
Buy back of ordinary shares	-	-	-	-	(2 596 075)	-	(2 596 075)	-	-	2 406 602	-	-	2 406 602	-	(189 473)	-	(189 473)
Share application monies	-	-	(104 937)	-	-	-	(104 937)	-	-	-	441 963	-	441 963	-	(104 937)	-	(104 937)
Recognition of share-based payment	-	-	-	-	-	-	-	-	-	-	-	-	441 963	-	441 963	-	441 963
Change in ownership interests	-	-	-	-	-	-	-	(4 525)	-	-	-	-	(4 525)	-	(4 525)	(17 601 561)	(17 606 086)
Dividend paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(135 270)	(135 270)
Transfer to reserves	-	-	-	-	-	-	-	-	-	-	-	13 515 128	13 515 128	(13 515 128)	-	-	-
<b>Balance at 31 December 2021</b>	31 394	315 441 273	-	60 560 000	(6 489 162)	30 000 000	399 543 505	(354 149 995)	2 517 994	(0)	4 821 987	70 964 615	(275 845 399)	67 782 223	191 480 329	5 067 949	196 548 278
<b>Balance at 01 January 2022</b>	31 394	315 441 273	-	60 560 000	(6 489 162)	30 000 000	399 543 505	(354 149 995)	2 517 994	-	4 821 987	70 964 615	(275 845 399)	67 782 223	191 480 329	5 067 949	196 548 278
Profit for the year	-	-	-	-	-	-	-	-	-	-	-	-	-	18 429 496	18 429 496	1 886 394	20 315 890
Other comprehensive income	-	-	-	-	-	-	-	(43 773 324)	(10 027 460)	-	-	14 036 654	(39 764 130)	-	(39 764 130)	(885 080)	(40 649 210)
<b>Total comprehensive income for the year</b>	-	-	-	-	-	-	-	(43 773 324)	(10 027 460)	-	-	14 036 654	(39 764 130)	18 429 496	(21 334 634)	1 001 314	(20 333 320)
Buy back of ordinary shares	-	-	-	-	(288 162)	-	(288 162)	-	-	-	75 369	-	75 369	-	(212 793)	-	(212 793)
Share application monies	-	-	60 560 000	(60 560 000)	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in ownership interests	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer of investment revaluation reserve upon disposal of investments in equity instruments designated at FVTOCI	-	-	-	-	-	-	-	-	-	-	-	(951 974)	(951 974)	951 974	-	-	-
Change in ownership interests	-	-	-	-	-	-	-	-	-	-	-	-	-	2 020 591	2 020 591	(3 086 755)	(1 066 164)
Transfer to reserves	-	-	-	-	-	-	-	-	-	-	-	4 825 822	4 825 822	(4 825 822)	-	-	-
Dividend paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(616 297)	(616 297)
<b>Balance at 31 December 2022</b>	31 394	315 441 273	60 560 000	-	(6 777 324)	30 000 000	399 255 343	(397 923 319)	(7 509 466)	-	4 897 356	88 875 117	(311 660 312)	84 358 462	171 953 493	2 366 211	1 743 19 704

Note 7

## **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 legal entities:

<b>Name of subsidiaries</b>	<b>Place of incorporation</b>
Bayport Financial Services Limited	Zambia
Bayport Savings and Loans Limited	Ghana
Bayport Financial Services (T) Limited	Tanzania
Bayport Financial Services Uganda Limited	Uganda
Money Quest Investments (Proprietary) Limited	Botswana
Bayport Colombia S.A.	Colombia
Bayport Asesores Ltda	Colombia
Bayport Financial Services Mozambique (MCB), S.A	Mozambique
Actvest Mexico S.A.P.I de C.V, E.N.R	Mexico
Financiera Fortaleza, S.A de C.V, SOFOM E.N.R	Mexico
Desembolsos 48H SA DE CV	Mexico
Cashfoundry Limited	United Kingdom
Actvest Limited	Mauritius
Bayport Latin America Holdings Ltd	Mauritius
Bayport International Headquarter Company (Pty) Limited	South Africa
Actvest Proprietary Limited	South Africa
Bayport Financial Services (USA), Inc.	United States
Sugaree Insurance Company Limited	Bermuda

Both the Company’s registered office, Bellerive Corporate Management Services (Mauritius) Ltd and the Company’s principal place of business, are located at 3rd Floor, Ebene Skies, Rue De L’Institut, Ebene, Mauritius.

### **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 2021.

#### **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 year while balances are translated at month end rates.

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

Figures in US Dollar

### 3. Taxation

Income tax for the year is accrued taking into consideration non-deductible expenditure during the year for each entity within the Group.

### 4. Loans and advances

	31-Dec-22	31-Dec-21
Gross advances	1 189 958 048	1 116 362 741
Impairment provision	(65 829 144)	(63 219 910)
<b>Net advances</b>	<b>1 124 128 904</b>	<b>1 053 142 831</b>
<b>Impairment provision</b>		
Opening balance	63 219 910	51 173 835
Impairment recognised in profit or loss	16 168 083	18 907 689
Utilisation of allowance for impairment	(2 855 812)	(23 142 480)
Foreign exchange movements	(10 703 037)	16 280 866
<b>Closing balance</b>	<b>65 829 144</b>	<b>63 219 910</b>

### 5. Property and equipment and intangible assets

During the year, the Group spent USD 3.9 million on office equipment, furniture and fittings, computer equipment, motor vehicles, leasehold improvements and intangible assets.

### 6. Borrowings

	31-Dec-22			31-Dec-21		
	Senior	Subordinated	Total	Senior	Subordinated	Total
Corporate bonds	306 174 968	46 854 168	353 029 136	304 325 129	79 197 423	383 522 552
Other term loans	725 350 172	77 554 283	802 904 455	727 453 229	20 000 000	747 453 229
Revolving credit facility	66 926 616	-	66 926 616	12 028 614	-	12 028 614
Subtotal	1 098 451 756	124 408 451	1 222 860 207	1 043 806 972	99 197 423	1 143 004 395
Less: deferred transaction costs	(17 021 644)	(642 291)	(17 663 935)	(14 119 696)	(112 346)	(14 232 042)
<b>Total</b>	<b>1 081 430 112</b>	<b>123 766 160</b>	<b>1 205 196 272</b>	<b>1 029 687 276</b>	<b>99 085 077</b>	<b>1 128 772 353</b>

As at 31 December 2022, the Group has USD 112.7 million (2021: USD 195.6 million) undrawn committed facilities available.



**BAYPORT MANAGEMENT LTD**  
**UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

*For the twelve months ended 31 December 2022*

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

Figures in US Dollar

**7. Share capital and treasury shares**

	<b>31-Dec-22</b>	<b>31-Dec-21</b>
Share capital	31 394	31 394
Share premium	315 441 273	315 441 273
Share application monies	60 560 000	-
Convertible equity instrument	-	60 560 000
Limited-voting B Shares	30 000 000	30 000 000
<b>Total share capital</b>	<b>406 032 667</b>	<b>406 032 667</b>
Treasury shares	(6 777 324)	(6 489 162)
<b>Total share capital and treasury shares</b>	<b>399 255 343</b>	<b>399 543 505</b>
<b>Number of Ordinary shares</b>	<b>31 394 663</b>	<b>31 394 663</b>
<b>Number of Limited-voting B Shares</b>	<b>30</b>	<b>30</b>

*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.*

*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.*