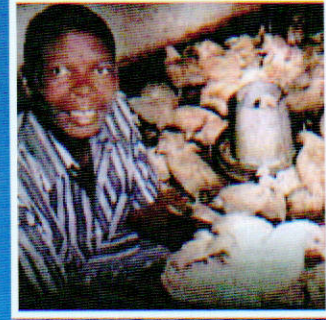
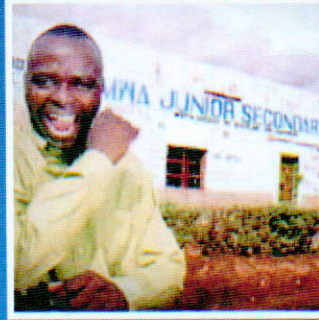
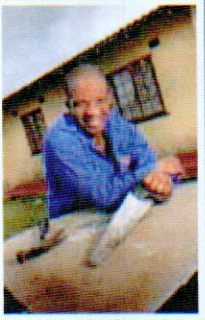


UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2011



Bayport
FINANCIAL SERVICES

Bayport Management Limited

(Registration number 54787 C1/GBL)

Condensed Consolidated Statement of Comprehensive Income

	Notes	Three months ended		Six months ended	
		30-Sep-11	30-Sep-10	30-Sep-11	30-Sep-10
		\$	\$	\$	\$
Continuing operations					
Interest income		27,599,749	18,760,482	53,294,903	37,738,559
Interest expense		(5,179,665)	(4,192,755)	(10,179,672)	(8,951,716)
Net interest income		22,420,084	14,567,727	43,115,231	28,786,843
Other income		2,104,483	762,514	3,339,233	1,436,273
Total income		24,524,567	15,330,241	46,454,464	30,223,116
Operating expenses		(12,721,286)	(9,231,387)	(24,571,470)	(17,496,272)
Foreign exchange loss		(567,298)	(3,645)	(1,464,113)	(689,332)
Loan loss provisions		(3,118,088)	(1,142,643)	(5,315,620)	(3,066,609)
Profit before tax		8,117,895	4,952,566	15,103,261	8,970,903
Tax expense	3	(3,233,847)	(2,256,300)	(6,240,562)	(3,949,616)
Profit for the period		4,884,048	2,696,266	8,862,699	5,021,287
Other comprehensive income					
Exchange differences arising on translating foreign operations		(1,836,849)	2,220,005	(2,778,900)	(1,443,380)
Exchange differences arising on translation of loan to subsidiaries		(2,642,380)	(23,639)	(3,431,412)	(577,520)
Net loss on cash flow hedges	10	(1,731,347)	-	(277,016)	-
Other comprehensive (loss)/ income for the period		(6,210,576)	2,196,366	(6,487,328)	(2,020,900)
Total comprehensive (loss)/ income for the period		(1,326,528)	4,892,632	2,375,371	3,000,387
Profit attributable to:					
Owners of the company		4,239,395	2,002,083	7,485,845	3,807,660
Non-controlling interests		644,653	694,183	1,376,854	1,213,627
		4,884,048	2,696,266	8,862,699	5,021,287
Total comprehensive (loss)/income attributable to:					
Owners of the Company		(1,727,123)	3,695,027	1,419,538	2,048,095
Non-controlling interests		400,595	1,197,605	955,833	952,292
		(1,326,528)	4,892,632	2,375,371	3,000,387

Condensed Consolidated Statement of Financial Position as at 30 September 2011

	Notes	30-Sep-11 \$	31-Mar-11 \$
Assets			
Non-current assets			
Property, plant and equipment	5	6,871,272	5,813,537
Intangible assets		231,879	175,650
Other investments		25,000	25,000
Deferred tax assets		574,167	598,495
Goodwill		4,027,316	4,027,316
Other financial assets	10	385,662	8,829,727
		<u>12,115,296</u>	<u>19,469,725</u>
Current assets			
Net advances	7	193,959,490	155,272,499
Inventories		89,656	120,031
Other receivables and prepayments		21,793,446	14,735,626
Cash and cash equivalents		25,118,443	42,416,317
Deferred expenses		2,154,745	1,610,880
		<u>243,115,780</u>	<u>214,155,353</u>
Total assets		<u>255,231,076</u>	<u>233,625,078</u>
Equity and liabilities			
Equity			
Stated capital	8	14,302	14,302
Share premium		5,323,145	5,323,145
Other reserves		10,342,247	10,059,847
Translation reserve		(15,135,958)	(9,323,952)
Cash flow hedging reserve		525,442	802,458
Retained earnings		47,259,413	40,033,253
Equity attributable to equity holders		<u>48,328,591</u>	<u>46,909,053</u>
Non-controlling interests		14,281,265	13,325,432
Total equity		<u>62,609,856</u>	<u>60,234,485</u>
Non-current liabilities			
Borrowings	9	121,709,289	121,745,009
Finance lease obligations		707,606	711,857
Deferred tax liabilities		233,945	72,162
		<u>122,650,840</u>	<u>122,529,028</u>
Current liabilities			
Shareholders loans	11	-	342,586
Trade and other payables		29,361,537	18,382,916
Bank overdrafts (secured)		10,815,902	5,221,527
Borrowings	9	23,437,710	19,661,724
Finance lease obligations		566,138	494,623
Deferred revenue		2,865,864	2,207,264
Withholding tax		284,484	202,005
Current tax		2,638,745	4,348,920
		<u>69,970,380</u>	<u>50,861,565</u>
Total liabilities		<u>192,621,220</u>	<u>173,390,593</u>
Total equity and liabilities	2	<u>255,231,076</u>	<u>233,625,078</u>

Condensed Consolidated Statement of Changes in Equity

	Stated capital	Share premium	Translation reserve	Cash flow hedging reserve	Other reserves	Retained earnings	Attributable to owners of the parent	Non-controlling interests	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 01 April 2010	14,302	5,350,328	(6,696,946)	-	9,438,673	31,763,104	39,869,461	7,593,187	47,462,648
Profit for the period	-	-	-	-	1,601,057	2,206,603	3,807,660	1,213,627	5,021,287
Other comprehensive loss	-	(27,183)	(1,722,971)	-	-	(9,411)	(1,759,565)	(261,335)	(2,020,900)
Total comprehensive (loss)/income	-	(27,183)	(1,722,971)	-	1,601,057	2,197,192	2,048,095	952,292	3,000,387
Issue of shares in subsidiary	-	-	-	-	-	-	-	1,266,527	1,266,527
Investment in subsidiary	-	-	-	-	-	-	-	(16,269)	(16,269)
Balance at 30 September 2010	14,302	5,323,145	(8,419,917)	-	11,039,730	33,960,296	41,917,556	9,795,737	51,713,293
Balance at 01 April 2011	14,302	5,323,145	(9,323,952)	802,458	10,059,847	40,033,253	46,909,053	13,325,432	60,234,485
Profit for the period	-	-	-	-	282,400	7,203,445	7,485,845	1,376,854	8,862,699
Other comprehensive (loss)/income	-	-	(5,812,006)	(277,016)	-	22,715	(6,066,307)	(421,021)	(6,487,328)
Total comprehensive (loss)/income	-	-	(5,812,006)	(277,016)	282,400	7,226,160	1,419,538	955,833	2,375,371
Balance at 30 September 2011	14,302	5,323,145	(15,135,958)	525,442	10,342,247	47,259,413	48,328,591	14,281,265	62,609,856

Condensed Consolidated Statement of Cash Flows

	Six months ended	
	30-Sep-11	30-Sep-10
	\$	\$
Operating activities		
Profit before tax	15,103,261	8,970,903
Adjustments for:		
Finance costs	10,179,672	8,951,716
Depreciation of property, plant and equipment and intangibles	897,733	746,206
Profit on disposal of property, plant and equipment	(3,631)	(737)
Increase in provision for credit impairment	5,315,620	3,066,609
Unrealised foreign currency losses	1,405,274	1,138,193
Operating cash flows before movements in working capital	32,897,929	22,872,890
Increase in gross advances	(54,448,344)	(14,407,262)
Decrease in inventories	23,172	59,646
Increase in other receivables and prepayments	(1,602,368)	(830,318)
Increase in trade and other payables	1,864,428	1,611,666
Cash (used in)/ generated from operations	(21,265,183)	9,306,622
Interest paid	(4,174,572)	(8,951,876)
Income taxes paid	(6,577,031)	(4,087,534)
Net cash used in from operating activities	(32,016,786)	(3,732,788)
Investing activities		
Proceeds on disposal of property, plant and equipment	55,247	53,837
Purchases of property, plant and equipment and intangibles	(2,226,030)	(999,783)
Repayment of loans to group companies	-	33,769,878
Net cash (used in)/generated from investing activities	(2,170,783)	32,823,932
Financing activities		
Net increase/(decrease) in borrowings	11,369,664	(24,158,190)
Net cash generated from/(used in) financing activities	11,369,664	(24,158,190)
Net (decrease) /increase in cash and cash equivalents	(22,817,905)	4,932,954
Cash and cash equivalents at the beginning of the period	37,194,790	(2,286,758)
Effect of foreign exchange rate changes	(74,344)	(114,236)
Cash and cash equivalents at the end of the period		
Bank balances and cash	14,302,541	2,531,960

Notes to the Condensed Consolidated Financial Statements

1. Background

Bayport Management Limited (the "Company") was initially incorporated in the British Virgin Isles. As from 2 March 2005 the Company migrated to a Mauritian entity and is now incorporated in Mauritius. On 28th July 2011, the company converted from a private company to a public company. The Company is the holding company for the following entities whose operations are based in Africa, South America and United Kingdom:

Subsidiary	Country of incorporation/operation
Bayport Financial Services Limited	Zambia
Bayport Financial Services Ghana Limited	Ghana
Bayport Financial Services Uganda Limited	Uganda
Bayport Financial Services (T) Limited	Tanzania
Consumer Finance Corporation Limited	Ghana
Money Quest Investments (Proprietary) Limited	Botswana
Actvest Limited	Mauritius
Bayport Financial Services Namibia (Proprietary) Limited	Namibia
Bayport Financial Services Rwanda SARL	Rwanda
Empresa de Microcredito S.A. Fimsa S.A.	Colombia
Cashfoundry Limited	United Kingdom
Bayport Financial Services Lesotho Ltd (dormant)	Lesotho

The Company's registered office is at DTOS Ltd, 10th Floor, Raffles Tower, Ebene, Mauritius and the Company's principal place of business is at 3rd Floor, Ebene Skies, Rue De L'Institut, Ebene, Mauritius.

The Group is involved in the provision and underwriting of unsecured term finance to the employed mass market which has traditionally been under-served in its credit needs.

2. Basis of preparation

2.1 Statement of compliance

The condensed consolidated financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRSs") and in accordance with International Accounting Standard (IAS) 34 Interim Financial Reporting.

2.2 Significant accounting policies

The condensed consolidated financial statements have been prepared under the historical cost convention, except for the revaluation of certain non-current assets and financial instruments.

The same accounting policies, presentation and methods of computation are followed in these condensed consolidated financial statements as were applied in the preparation of the Group's consolidated financial statements for the year ended 31 March 2011.

2.3 Functional and presentation currency

For the purpose of presenting condensed consolidated financial statements, the assets and liabilities of the Group's foreign operations are expressed in United States Dollars using exchange rates prevailing at reporting date. Income and expenses items are translated at average rates of exchange for the period.

Notes to the Condensed Consolidated Financial Statements (continued)

3. Income tax charge

Interim period income tax is accrued based on estimated average annual effective income tax rates for each entity within the Group.

4. Dividends

During the period ended 30 September 2011 no dividends were paid or declared.

5. Property, plant and equipment

During the period, the Group spent USD 2.21 million on acquisition of land and building, office equipment, furniture and fittings, computer equipment, motor vehicles, leasehold improvements and intangible assets.

6. Acquisition of Subsidiary

Cashfoundry Limited

In July 2011, the group incorporated Cashfoundry Limited, registered in England and Wales. The company will be involved in payday lending activities and is expected to commence trading in February 2012.

Impact of acquisition on the result of the Group

Included in the profit for the period is loss of USD 188,814 attributable to Cashfoundry Limited.

7. Net advances

	30-Sep-11	31-Mar-11
	\$	\$
Gross advances	202,281,288	158,458,931
Impairment provision	(8,321,798)	(3,186,432)
Net advances	193,959,490	155,272,499
Impairment provision		
Balance at the beginning of the period	3,186,432	2,383,938
Foreign exchange differences	(180,254)	(229,727)
Impairment provision raised	5,315,620	5,109,273
Amounts written off against the impairment provision	-	(4,077,052)
Total impairment provision	8,321,798	3,186,432

8. Issued capital

Issued capital as at 30 September 2011 amounted to USD14,302. There were no movements in the issued share capital of the Company in the period ended 30 September 2011.

Notes to the Condensed Consolidated Financial Statements (continued)

9. Borrowings

	30-Sep-11	31-Mar-11
	\$	\$
Corporate Bonds	101,901,036	110,068,086
Standard Chartered Bank (Ghana)	7,176,923	5,965,684
Standard Chartered Bank (Zambia)	6,067,090	2,899,793
Standard Chartered Bank (Uganda)	1,912,842	1,007,137
Standard Chartered Bank (Tanzania)	4,141,125	2,374,897
Barclays Renovations Loan Account (Zambia)	190,396	227,180
Social Security National Insurance Trust of Ghana	5,513,772	6,817,099
Fidelity Bank (Ghana)	1,338,727	1,709,221
Stanbic Bank (Zambia)	2,154,863	3,518,130
Stanbic Bank (Uganda)	1,062,690	1,258,920
The Citizen Entrepreneurial Development Agency (Botswana)	133,444	167,133
The Unit Trust of Tanzania (UTT)	-	3,198,294
Africa Life Assurance Company (Zambia)	4,184,100	852,879
Zambia State Insurance Corporation (ZSIC) Limited	836,954	1,342,280
Bank of Africa (Tanzania)	1,133,860	-
Barclays Bank (Zambia)	2,963,808	-
Mukuba Pension Trust (Zambia)	627,615	-
Société Générale - Social Security Bank (Ghana)	2,969,620	-
Bancolombia (Colombia)	263,382	-
Dann Regional (Colombia)	522,560	-
Banco Colpatria (Colombia)	52,192	-
Amount due within 12 months presented as current liabilities	(23,437,710)	(19,661,724)
	<u>121,709,289</u>	<u>121,745,009</u>

The Bonds have been retranslated to USD as at 30 September 2011 and a gain of USD 8,167,049 has been recognised in other comprehensive income for the period ended 30 September 2011.

10. Reporting of financial instruments

As part of the requirements of the Bond issue, the Company entered into a cross currency swap agreement with Citi Bank NA London on 23 November 2010 to hedge its exposure of converting the SEK relating to the Bonds into USD.

As at 30 September 2011, interest receivable accrued on the swap amounted to USD 11,450,606 and interest payable on the swap amounted to USD 10,381,423. These amounts are included in other receivables and prepayments, and in trade and other payables respectively.

The cross currency swap is a derivative designated as, and effective as a hedging instrument. The market value of the derivative as at 30 September 2011 was USD 385,662. A loss on the swap of USD 8,444,065 has been offset against the gain on retranslation on the Bonds of USD 8,167,049, and a net loss of USD 277,016 recognised in other comprehensive income.

11. Related party transactions

The shareholders loan of USD 342,586 was repaid in May 2011.

12. Events after the reporting period

On 12 October 2011, the Group issued 1 year promissory notes with a nominal amount of SEK 79,000,000. The promissory notes bear interest of 11% per annum, payable on the redemption date of 12 October 2012. The terms of the Bonds require that certain financial covenants are met. The promissory notes rank junior to the Corporate Bonds.