

BAYPORT ENTERS INTO ACQUISITION AGREEMENT AND RAISES USD 137 MILLION IN EQUITY FUNDING

Bayport Management Limited ("**Bayport**" or the "**Company**") has entered into an agreement (the "**Agreement**") with Transaction Capital Limited ("**Transaction Capital**") to acquire 100 per cent of the shares in Bayport Financial Services 2010 Proprietary Limited ("**BFS**") and Zenthyme Investments Proprietary Limited ("**Zenthyme**") from Transaction Capital (the "**Transaction**").

The cash consideration payable by Bayport to Transaction Capital will total circa ZAR 1,610 000 000 (corresponding to circa USD 162 million). Following the implementation of the Transaction, the combined group of Bayport, BFS and Zenthyme will have balance sheet assets exceeding USD 1.3 billion.

The Transaction will mainly be financed through a USD 137 million new equity issue in Bayport, of which funds advised by Helios Investments Partners ("**Helios**"), a premier pan-African private equity investment firm, will invest USD 100 million. The remaining portion of the cash consideration to be paid under the Agreement will be debt financed.

Following the completion of the Transaction, Helios and the renowned Swedish emerging market investor, and current shareholder of the Company, Investment AB Kinnevik will together own more than 50 per cent of the shares in the Company.

The Transaction is subject to closing conditions, including that Bayport concludes agreements to raise funds to enable it to discharge the consideration to be paid under the Agreement as well as necessary shareholder and regulatory approvals.

Gernandt & Danielsson has acted as Swedish legal advisor to Bayport.

BFS and Zenthyme

The business conducted through BFS (and its subsidiaries) and Zenthyme includes the provision of unsecured credit and related products, cellular handset and airtime subscription agreements and related products, to historically under-served low to middle income individuals in South Africa. The business provides clients with personalised and direct access to credit, by originating retail loans through a wide distribution network of approximately 2,211 mobile, commission earning independent agents; operating out of 56 branches and 33 kiosks at selected South African Post Office outlets nationwide and backed by three call centres.

Helios

Helios is an Africa-focused private equity investment firm, managing funds totalling over USD 1.8 billion. It invests in growth equity investments and new business formations in high-potential sectors, acquisitions of large, established businesses and structured investments in listed entities, investing between USD 30 million and USD 200 million per transaction. Helios' portfolio companies operate in more than 30 countries in all regions of

Africa. Founded in 2004 and led by co-founding partners Tope Lawani and Babatunde Soyoye.

Bayport

Bayport is a leading provider of unsecured credit and financial solutions to the formally employed mass markets in emerging markets in Africa (Zambia, Ghana, Uganda, Tanzania, Botswana and Mozambique) and Latin America (Colombia). Today, Bayport services over 270,000 customers (total loan portfolio of approximately USD 400 million) through 289 branches, with the support of 3,300 employees. Bayport has further developed a broad global debt and equity investor base and wide relationships with multinational and domestic banks and insurance and pension funds in its markets of operation and in Scandinavia.

Bayport Management Limited is required to make public this information in accordance with the Swedish Securities Market Act and/or the Financial Instruments Trading Act. The information was released for publication on 23 October 2013 at 07:30 (CET).

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