

BAYPORT MANAGEMENT LTD

(Incorporated in the British Virgin Islands on 10 September 2001 and subsequently registered in Mauritius under the Companies Act 2001 on 2 March 2005)

Registration number 54787 C1/GBL

Listing Particulars (LP code: LEC/P/06/2015) in relation to the issue and listing by way of a placing of 6,377,550 ordinary shares of par value USD 0.001 each of Bayport Management Ltd on the Official Market of the Stock Exchange of Mauritius Ltd

An application has been made for the listing by way of a placing of up to 6,377,550 ordinary shares of par value USD 0.001 each of the Issuer on the Official Market of the Stock Exchange of Mauritius Limited ("**SEM**").

LR 18.18

It is not expected that dealings in the securities of Bayport Management Ltd will take place on the SEM. If Bayport Management Ltd decides to allow dealings in its securities to take place, those dealings must be done on the SEM as per the provisions of Rule 3.A of the Stock Exchange (Conduct of Trading Operations) Rules 2001. All dealings that take place on the SEM shall be cleared and settled through the Central Depository & Settlement Co. Ltd (CDS) as per section 3(3) of the Securities (Central Depository, Clearing and Settlement) Act 1996.

DATE

This document is dated 02 June 2015.

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

This document should be read as a whole. A copy of this document has been filed with the Financial Services Commission ("**FSC**").

LR 18.19

A prospective investor should be aware of the risk of investing in the Issuer and should make the decision to invest only after careful consideration and, if appropriate, after due consultation with professional financial advisers.

This document has been vetted by the Listing Executive Committee ("**LEC**") of the SEM in conformity with the Listing Rules of the SEM. Neither the LEC of the SEM nor the FSC assumes any responsibility for the contents of this document. The LEC and the FSC make no representation as to the accuracy or completeness of any of the statements made or opinions expressed in this document and expressly disclaim any liability whatsoever for any loss arising from or in reliance upon the whole or any part thereof.

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DECLARATION BY DIRECTORS

This document is neither an invitation nor an offer to the public to subscribe for Ordinary Shares in the Issuer but is issued in compliance with the rules of the Official Market for the purpose of giving information to prospective shareholders of the Issuer.

This document includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Issuer. The Directors, whose names appear at Section 6.1 of this document, collectively and individually, accept full responsibility for the accuracy and completeness of the information contained in this document and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading. They furthermore declare that to the best of their knowledge and belief, and after having made reasonable enquiries, this document complies, where applicable, with the Listing Rules, the Companies Act, the Securities Act 2005 and with any regulations and rules made under those statutes. LR 18.9

The Directors also confirm that save as disclosed in this document they have no potential conflicts of interest between their duties to the Issuer and their private interests or any other duties. LR 18.45

The Directors, after having made due and careful enquiry, are of the opinion that the working capital available to the Issuer will be sufficient for its present requirements, that is for at least twelve months from the date of issue of this document.

The Directors certify that no material adverse change in the financial or trading position of the Issuer has taken place since 31 December 2014, the date of the last published annual financial statements. LR 18.46

Approved by the Board of the Issuer on 02 June 2015:



Jimmy Wong
Director



Eric Venpin
Director

2 DEFINITIONS

BFS Zambia	Bayport Financial Services Limited, a private company with limited liability incorporated in accordance with the laws of the Republic of Zambia with registration number 49035;
Board	the board of Directors of the Issuer;
Business Day	any day other than a Saturday, Sunday or public holiday officially recognised as such in Mauritius, South Africa, Sweden, the United Kingdom and the United States;
Companies Act	the Companies Act 2001 and any other amendments made from time to time;
Constitution	the constitution of the Issuer as may be amended from time to time subject to the prior approval of the SEM;
Deloitte Mauritius	Deloitte of 7 th Floor, Raffles Tower, 19 Cybercity, Ebene, Mauritius;
Directors	the current directors of the Issuer whose names are set out in Section 6.1 of this document;
Existing Shareholders	Each of Kinnevik, Takwa, Grant Colin Kurland, Stuart Stone, Elsworthy Holdings Limited, Darrow International Limited, Groundsel Investments Limited, Justin Chola, Etienne Henry Coetzer, Bryan Arlow, Ted Kristensson, Paul Rodgers, Paul Silverman, David Rajak, David Rodgers, Nicole Sanderson and Vladimer Gurgenedze;
Financial Services Act	the Financial Services Act 2007 of the Republic of Mauritius and all regulations promulgated under that Act as well as any amendments thereto;
FSC	the Financial Services Commission of the Republic of Mauritius;
GEPF	the South Africa Government Employees Pension Fund, established in terms of the Government Service Pension Act 1973 and renamed by the Government Employees Pension Law 1996 of the Republic of South

	Africa;
Group	the Issuer and its Subsidiaries from time to time;
Issuer	Bayport Management Ltd, a public limited company incorporated in the Republic of Mauritius and bearing registration No. 54787 C1/GBL;
IFRS	International Financial Reporting Standards as endorsed by the European Union;
Kinnevik	Kinnevik New Ventures AB, a company incorporated in accordance with the laws of Sweden with registration number 556736-2412;
KfW	a public law institution existing under the laws of the Federal Republic of Germany;
Last Practicable Date	26 th May 2015 (being the last practicable date before the publication of this document);
Listing Rules	the Listing Rules of the SEM;
LEC	the Listing Executive Committee of the SEM;
MUR or Rs	Mauritian Rupees;
Official Market	the Official Market of the Stock Exchange of Mauritius Ltd;
Ordinary Shares	ordinary shares of par value USD 0.001 each in the share capital of the Issuer;
PIC	the Public Investment Corporation SOC Limited, a state owned company, incorporated in the Republic of South Africa and bearing registration no. 2005/009094/06;
Placing Shares	the 6,377,550 Ordinary Shares that are to be listed by way of a placing on the Official Market of the SEM pursuant to this document;
Proposed Transaction	the transaction contained in the Subscription and Share Purchase Agreement, which, upon implementation, will result in PIC becoming a shareholder of the Issuer;
SEK	Swedish kronor, the lawful currency for the time being in the Kingdom of Sweden;
SEM	the Stock Exchange of Mauritius Ltd established under the repealed Stock Exchange Act 1988;

Shareholder	a holder of Ordinary Shares in the Issuer from time to time;
Subscriber	a subscriber for Placing Shares under the Subscription and Share Purchase Agreement;
Subscription and Share Purchase Agreement	the written subscription and share purchase agreement entered into between the Issuer, PIC and the Existing Shareholders pursuant to which PIC has agreed to subscribe for 6,377,550 Ordinary Shares in the Issuer;
Subscription Date	the date falling ten business days after the fulfilment of the conditions precedent as mentioned in Section 3.6;
Subsidiary	a subsidiary as defined in section 3 of the Companies Act;
Takwa	Takwa Holdco Limited, a private limited liability company incorporated in accordance with the laws of Mauritius with registered number 118997; or
USD	United States Dollars.

3 SUMMARY AND OVERVIEW OF THE ISSUE

3.1 The features of the Issue

The Issuer:	Bayport Management Ltd	
Base Currency:	USD	
Nature of securities offered:	Registered	LR 18.28
Mode of Payment:	Electronic Transfer	LR 18.22(i)
Method of listing:	Placing	
The Placing:	6,377,550 ordinary shares of USD 0.001 par value	LRs 18.20, 18.22(a)
Price per Ordinary Share	USD 23.36	
Number of shares held by the Issuer:	None	
Target Investors:	PIC	
Subscription Amount:	USD 149,000,000	
Dilution:	20%	
Receiving Bank:	None	

3.2 Overview

The Issuer entered into a subscription and share purchase agreement on 20th May 2015 with GEPF, represented by PIC and the Existing Shareholders (the "**Subscription and Share Purchase Agreement**"). Under that agreement, PIC agreed to invest USD 149,000,000 , in the Issuer by subscribing for the Placing Shares. Further details of the Subscription and Share Purchase Agreement are set out in Section 3.6 below.

LR 18.29

3.3 Waiver of pre-emptive rights

Each Shareholder has irrevocably undertaken not to exercise his pre-emptive rights to participate in any issue of new ordinary shares in connection with the issue of the Ordinary Shares to PIC.

LR 18.22(c)

3.4 Placing Shares subscription

On the Subscription Date, PIC shall subscribe for, and the Issuer shall allot and issue to PIC, the Placing Shares at a price of USD 23.36 per Placing Share for the aggregate subscription amount of USD 149,000,000.

LR18.31(a)

3.5 Summary of the Rights Attaching to the Placing Shares

LR18.31(b)

The Placing Shares will be issued fully paid and will have the same rights and rank pari passu in all respects with the existing Ordinary Shares.

LR18.21

The Placing Shares have no fixed dividend. The Directors shall, from time to time, declare such dividends as prudent business considerations allow and depending on the Issuer's medium and long term strategies and subject to the solvency test being satisfied.

Each Placing Share has one vote and equal rights on distribution of capital and income.

3.6 **Subscription and Share Purchase Agreement**

LR18.31(c)

The Subscription and Share Purchase Agreement is subject to the fulfilment or waiver (where appropriate), as the case may be, of the following conditions precedent, namely:

- (a) receipt of approval for admission to listing on the SEM of the Placing Shares; and
- (b) PIC obtaining any other regulatory approvals that are required for its entry into of the Subscription and Share Purchase Agreement including, but not limited to approval from the Financial Surveillance Department of the South African Reserve Bank.

The Issuer has provided the PIC with warranties in respect of the Group that are customary for a transaction of this nature, subject to customary limitations as to the period during which claims may be brought and customary thresholds for the capping of claims.

Completion of the Subscription and Share Purchase Agreement shall take place within ten "Business Days" (as such term is defined in the Subscription and Share Purchase Agreement) after the fulfilment or waiver of all the conditions set forth above, at which time PIC shall subscribe for, and the Issuer shall issue and allot, the Placing Shares to PIC.

3.7 **Current share capital**

LR 18.30

The issued capital of the Issuer as at the Last Practicable Date was as follows:

Name of Shareholder	Current registered shareholding	
Kinnevik	7,428,902	30.61%
Takwa	5,621,135	23.16%
Grant Colin Kurland	2,863,057	11.81%
Stuart Stone	2,582,000	10.64%
Elsworthy Holdings Ltd	1,077,000	4.44%
Darrow International Limited	2,595,000	10.69%
Groundsel Investments Limited	1,517,707	6.25%
Justin Chola	242,000	1.00%
Etienne Henry Coetzer	134,000	0.55%
Bryan Arlow	60,609	0.25%
Ted Kristensson	25,176	0.10%

Name of Shareholder	Current registered shareholding	
Paul Rodgers	18,648	0.08%
Paul Silverman	18,648	0.08%
David Rajak	18,648	0.08%
David Rogers	18,648	0.08%
Vladimer Gurgenidze	42,158	0.17%
Nicole Sanderson	5,594	0.02%
Total	24,268,930	100%

3.8 Share capital post Issue

Following subscription for the Placing Shares, the issued capital of the Issuer will be as follows:

Shareholder	Proposed subscription	Proposed subscription	shareholding post
Kinnevik	0	7,428,902	24.24%
Takwa	0	5,621,135	18.34%
Grant Colin Kurland	0	2,863,057	9.34%
Stuart Stone	0	2,582,000	8.43%
Elsworthy Holdings Ltd	0	1,077,000	3.51%
Darrow International Limited	0	2,595,000	8.47%
Groundsel Investments Limited	0	1,517,707	4.95%
Justin Chola	0	242,000	0.79%
Etienne Henry Coetzer	0	134,000	0.44%
Bryan Arlow	0	60,609	0.20%
Ted Kristensson	0	25,176	0.08%
Paul Rodgers	0	18,648	0.06%

LR 18.30

Paul Silverman	0	18,648	0.06%
David Rajak	0	18,648	0.06%
David Rogers	0	18,648	0.06%
Vladimer Gurgenedze	0	42,158	0.14%
Nicole Sanderson	0	5,594	0.02%
PIC	6,377,550	6,377,550	20.81%
Total	6,377,550	30,646,480.00	100%

3.9 Options over Ordinary Shares

LR 18.22(f)

There are no options subsisting over any of the Issuer's Ordinary Shares.

LR 18.34

3.10 Convertible Subordinated Loan

Pursuant to the terms of a convertible subordinated loan agreement entered into between the Issuer (as borrower) and KfW (as lender) on 13 December 2012, upon any increase in the share capital of the Issuer (other than an issue of shares pursuant to the Issuer's long term incentive plan), KfW has the right (but not the obligation) to convert all or part of the outstanding loan into Ordinary Shares at a price per share to be agreed between the parties, subject always to a maximum shareholding of 24.9% at any time. KfW has informed the Issuer on the 21st of May 2015 that it shall not exercise its conversion rights.

LR 18.34

LR 18.32

3.11 Long Term Incentive Plan

The Issuer has adopted a long term incentive plan under which Ordinary Shares may be purchased by employees and directors of the Group from their own funds or through loans made by the Issuer. In addition, the Issuer may award shares for no consideration subject to the satisfaction of performance targets. The maximum number of shares available under the plan may not exceed 849,000 Ordinary Shares. As at the date of this document, 208,129 Ordinary Shares have been issued under the long term incentive plan.

LR 18.34

3.12 Listed Bonds

On 16 November 2010, the Issuer issued SEK 700 million 13% bonds 2010/2015, which were listed on the corporate bond list on NASDAQ OMX Stockholm on 28 October 2011.

A second issue of SEK 700 million 13% bonds 2012/2017 was issued on 28 June 2012 and listed on the corporate bond list on NASDAQ OMX Stockholm on 6 July 2012.

On 23 September 2013, the Issuer issued an aggregate amount of SEK 600 million 13% bonds 2013/2017 pursuant to the terms and conditions of an instrument for a maximum of SEK 800 million bonds dated the same date. The bonds were listed on the corporate bond list on NASDAQ OMX Stockholm on 14 October 2013. In November 2014, the Issuer bought bonds worth SEK 132 million and sold bonds worth SEK 125 million and SEK 9 million in January 2015 and March 2015 respectively. In September 2014, there was a further issue of bonds worth SEK 200 million.

On 17 November 2014, the Issuer issued an aggregate amount of SEK 650 million 14% bonds 2014/2019 pursuant to the terms and conditions of an instrument for a maximum of SEK 800 million bonds dated the same date.

The shares of the Issuer are not currently subject to trade on any stock market.

A summary of the bonds described above are set out in the table below:

Redemption Date	Interest Rate P/A	Issue Date	Buyback Date	Bond Amount "SEK"	Issue Amount "SEK"	Buy back Amount "SEK"
19 Nov 2013 19 Nov 2015	13%	Nov-10		700,000,000	700,000,000	
15 June 2015 12 June 2017	13%	Jun-12		700,000,000	700,000,000	
	13%	Sep-13		800,000,000	600,000,000	
	13%	Sep-14			200,000,000	
			Nov-14			132,000,000
15 June 2015	13%	Jan-15			125,000,000	
12 June 2017	13%	Mar-15			9,000,000	
17 Nov 2017 17 Nov 2019	14%	Nov-14		800,000,000	650,000,000	

3.13 Changes in Share Capital

There have been the following changes to the stated share capital of the Issuer during the two years preceding the date of this document:

LR 18.33

- (a) on 7 January 2014, 7,720,293 fully paid Ordinary Shares were issued as set out below:

Party	No. of Shares	Aggregate subscription price (USD)
Kinnevik	300,394	5,344,007
Grant Kurland	281,057	5,000,000
Groundsel Investments Limited	1,517,707	27,000,000
Takwa	5,621,135	100,000,000
Total	7,720,293	137,344,007

- (b) On 4 April 2014, 205,508 fully paid Ordinary Shares were issued to Kinnevik for an aggregate subscription price of USD 3,655,993;
- (c) On 6 May 2014, 14,053 fully paid Ordinary Shares were issued under the purchase award to Vladimer Gurgenidze at a subscription price of USD 17.79 under the Issuer's Long Term Incentive Plan;
- (d) On 16 February 2015, 28,105 fully paid Ordinary Shares were issued under the gifted award to Vladimer Gurgenidze for no consideration under the Issuer's Long Term Incentive Plan.

3.14 Use of Investment Proceeds

Following an analysis by the board of BML of the Group's long term strategy, it was decided to seek a strategic equity partner that could not only add impact from an equity perspective but also potentially add impact from a debt perspective. In addition it was important to find a partner with similar ambitions in the developing markets in which the Group operates.

The Public Investment Corporation (PIC) is a public asset management firm wholly owned by the South African government, with the Minister of Finance as the sole shareholder representative of the government. PIC's clients are mostly public sector entities including the Government Employees Pension Fund. In addition to their assets under management which exceed ZAR 1.8 trillion (~\$1.5 billion), the PIC has a stated aim of expanding its investment base into developing markets, especially those in Africa. Added to this is the

fact that over 50% of the borrowers of the Group's South Africa subsidiary are government employees and are thus ultimately members of the PIC.

The board intends to apply the proceeds of the Transaction towards development of its operations in Africa (USD86m), Latin America (USD38m) as well as at the holding company level (USD25m), as explained in more detail below.

The Group's youngest African business, Mozambique, has a very strong growth trajectory. However, in light of its limited track record, the Board expects that it will be difficult for this business to attract third party funding until it has published at least three years of audited financial accounts. The bulk of the cash flows to grow this business will therefore be equity led and the Board considers that this will remain the case for at least the next 12-18 months. The Issuer estimates that approximately USD25m of the new equity generated by the Transaction will be used towards this.

The Botswana business, the Group's second youngest African business, has succeeded in raising local currency funding. Nevertheless, the Board considers the equity level of the business to be too low. In addition, the Botswana business is the first in Africa to be "Smart Campaign" accredited. The Smart Campaign is a global initiative by the World Bank in the arena of responsible lending. Appropriate product design and transparency is a key factor for this accreditation and Bayport Botswana will therefore be looking at deepening its specification with regard to housing, education and income producing products. The Issuer estimates that approximately USD12m of the new equity generated by the Transaction will be used towards strengthening the Bayport Botswana balance sheet and developing its product design and transparency, as outlined above.

Bayport Zambia, the oldest business in the Group, still continues to grow its loan book and indeed recently accessed a new segment of the market. The Zambian business issued the largest debut bond for a private company in 2014 and the ability to raise further debt funding on the balance sheet is therefore limited without the introduction of further equity. In order to service this new segment of the market and grow its loan book Bayport Zambia would therefore need to increase its equity before raising further debt. In addition, Bayport Zambia has applied for a deposit taking license. Such a licence will entail compliance with capital requirements as set by the central bank. The Issuer estimates that approximately USD20m of the new equity generated by the Transaction will be used towards the purposes described above.

In Uganda, the government payroll was decentralized with effect from 1 Jan 2014. This change requires further investment to be made into branch infrastructure in order to properly service the Group's Ugandan client base that is dispersed around the country. Funds raised for the loan book are specifically reserved for onward lending and thus the branch infrastructure, human capital and IT infrastructure required for this expansion needs to be funded by equity. In addition to this, local banks are proving reluctant to fund lenders in this market until they have achieved a level of comfort with the impact of the new decentralisation regime and growth in the loan book will therefore need to be equity led. The issuer estimates that approximately USD4m of the new equity generated by the Transaction will be used towards this.

In Tanzania, the business has been very successful in raising local currency debt. In addition, the business is investigating a listed bond issue. The preliminary feedback from the arrangers is that the local business needs to increase its equity in order to support this debt raising. The Issuer estimates that approximately USD13m of the new equity generated by the Transaction will be used towards this.

The Ghana business has suffered as a result of the significant depreciation of the Ghanaian currency. Equity levels in the Ghanaian business has been adversely impacted by the high levels of USD funding on the balance sheets. The first use for the proceeds of the

Transaction in Ghana will therefore be to restore the equity levels on the balance sheet and reduce the foreign exchange risk volatility on these balance sheets.

Bayport Ghana has also recently deployed a pilot of the Group's "My Money" transactional product. My Money offers savings and transactional services across the spectrum and is not limited to Bayport customers. The product package includes numerous "Premium" services which the Board considers offer real benefits to customers. These are free premium services such as the elimination of transaction costs when using ATMs or a free insurance product in certain circumstances. The Board believes that as these products grow, regulation will require the introduction of further capital. The Issuer estimates that approximately USD12m of the new equity generated by the Transaction will be used towards this.

In Latin America, Group's first business there, Bayport Colombia, has grown from strength to strength. This business has just signed a landmark USD50m transaction with the Inter-American Development Bank. As Bayport Colombia draws down on this facility, banking covenants will require the maintenance of higher levels of equity which will necessitate the introduction of further equity from the issuer over the draw down period. The issuer estimates that around USD13m of the new equity generated by the Transaction will be used towards this.

The Group's newest business is located in Mexico. Given the size of the population in Mexico as well as the resultant size of the country's civil service it is clear to the Board that Bayport Mexico has the potential to become one of the largest businesses in the Group in a short period of time. The Mexican business faces similar challenges to the Mozambique business due to its short track record and growth will therefore need to equity led for the first three years. The issuer estimates that approximately USD25m of the new equity generated by the Transaction will be used towards this.

A secondary use of the proceeds of the Transaction will be to restructure the Group's balance sheet in order to further optimize the business. This includes but is not limited to potentially retiring more expensive subordinated or senior debt or reducing the cost of funding in certain countries where use is made of more expensive debt facilities. A positive consequence to reducing the more expensive debt will be to reduce the Group's cost of funding and thus further improve the Group's financial metrics

The board also believes that an additional benefit to the restructured balance sheet will be to enhance the Group's ability to further raise funding in the international debt capital markets.

The Issuer has four listed bonds, three senior and one subordinated. The cost of carry is significant and thus any ability to reduce this by repurchasing bonds will be accretive to the income statement. In addition due to the nature of the bond covenants any repurchase of senior debt will create covenant headroom.

The Issuer estimates that approximately USD25m of the new equity will be used at the Group level towards these objectives.

It must be stated no new acquisitions are currently under consideration.

Financial Information

3.15 Accountant's report on summary group financial statements

An accountant's report prepared by Deloitte Mauritius dated 13 May 2015 on the Issuer's summary group financial statements for the nine months ended 31 December 2014, and for the three years ended 31 March 2014, 31 March 2013 and 31 March 2012 is attached as Annexure A.

3.16 Consolidated Group debt

A statement on a consolidated basis of the information required under rule 9.45 of the SEM Listing Rules based on the Issuer's management accounts dated 31st March 2015 is attached as Annexure B.

4 ISSUER INFORMATION

4.1 About the Issuer

The Issuer was incorporated on 10 September 2001 in the British Virgin Islands and continued as a Mauritian company with effect from 4 March 2005. The Issuer was registered as a private company limited by shares on 2 March 2005 under the Companies Act with registration number 54787 C1/GBL.

LR 18.12

The Issuer holds a Category 1 Global Business Licence, issued by the FSC on 3 March 2005, in accordance with the Financial Services Act and the Financial Services (Consolidated Licensing and Fees) Rules 2008. Following the issuance of the companies debut bond in Nov 2010 and as a result thereof, on 28 July 2011 the Issuer converted into a public limited liability company. The Issuer's operations are regulated by the Companies Act and the FSC.

LR 18.6 and 18.12

On 28 July 2011 the Issuer was converted into a public limited liability company. A certificate of conversion has been issued by the Mauritian Registrar of Companies. The Issuer's operations are regulated by the Companies Act and the FSC.

LR 18.12

The Issuer was listed on the Official Market of the SEM on 28 March 2013.

4.2 Objectives of the Issuer

In accordance with the constitution of the Issuer, adopted on 28 January 2013, the objectives of the Issuer are:

LR 18.35

- (a) to engage in global business as permitted under the Financial Services Act, the Companies Act and any other laws for the time being in force in the Republic of Mauritius;
- (b) to borrow money from financial institutions and to mortgage or charge its undertakings and property or any part thereof, to issue debentures, debenture stock and other securities whenever money is borrowed or as security for any debt, liability or obligation of the Issuer; and
- (c) to do all such other things as are incidental to, or the Issuer may think conducive to the conduct, promotion or attainment of the objects of the Issuer.

4.3 Nature of the Business and Principal Activities

LR 18.35

The Issuer is a holding company and holds businesses involved in the provision of retail financial services. The Issuer's vision is to be the most valued financial services brand in its chosen markets by providing a broad range of unique and relevant financial solutions tailored to the needs of its customers.

The Group started its operations in Zambia in 2002 when introducing a payroll deduction lending scheme in co-operation with the mining labour union. The Group's activities in Zambia later evolved through lending to employees of the Zambian civil service. The Group continued its operation by introducing its business in several African countries and, most recently, in Colombia and Mozambique.

The Subsidiaries of the Issuer are set out in Section 4.5. The majority of the Subsidiaries are involved in the provision and underwriting of unsecured term finance to the employed mass market and earn their revenue in the form of interest income and administration fees relating to the loans of their customers.

	Lot 19, Cybercity Ebene Republic of Mauritius	
Place of incorporation:	British Virgin Islands and in the Republic of Mauritius as of 2 March 2005	LR 18.12 LR 18.12
Date of incorporation:	10 September 2001 in the British Virgin Islands and 2 March 2005 in the Republic of Mauritius respectively	LR 18.8
Registered number:	54787 C1/GBL	
Registered office :	c/o DTOS Ltd, 10 th Floor, Raffles Tower, 19 Cyber City, Ebene, Republic of Mauritius	LR 18.8
Contact telephone number:	+230 465 1605	
Independent auditors and reporting accountant:	Deloitte Mauritius 7 th Floor, Raffles Tower, 19 CyberCity, Ebene, Republic of Mauritius	LR 18.11
Secretary:	DTOS Ltd. 10 th Floor, Raffles Tower, 19 Cybercity, Ebene, Republic of Mauritius	
International legal advisors:	Berwin Leighton Paisner LLP Adelaide House London EC4R 9HA	LR 18.10

4.5 Investments of the Issuer

Details of the investments of the Issuer are as follows as at the Last Practicable Date: LR 18.40

Name	Location and Date of incorporation/acquisition	Stated Capital USD	Percentage of voting power	No. of shares
Bayport Financial Services Limited (Micro Finance Business)	Zambia June 2002	418,995	83.23%	2,080,767
Bayport Financial Services Ghana Limited (Micro Finance Business)	Ghana October 2002	6,303,899	90.24%	10,200,000,000
Bayport	Uganda	1,983,032	85%	425 ordinary

Name	Location and Date of incorporation/acquisition	Stated Capital USD	Percentage of voting power	No. of shares
Financial Services Uganda Limited (Micro Finance Business)	May 2004			shares
Bayport Financial Services (T) Limited (Micro Finance Business)	Tanzania January 2006	7	89%	8,900
Consumer Finance Company Limited (Micro Finance Business)	Ghana June 2006	6,071,260	74%	148
Money Quest Investments (Proprietary) Limited (Micro Finance Business)	Botswana June 2006	146	95%	950
Bayport Colombia S.A.S.(Micro Finance Business)	Colombia February 2011	24,381,806	83.30% ¹	2,020,035 Common Shares and 1,237,761 A Preference Shares and 1,237,761 B Preference Shares
Cashfoundry Limited (Consultancy)	United Kingdom January 2012	3,939,493	100%	890 A Ordinary Shares and 110 B Ordinary Shares
Bayport	Rwanda	0.00145	100%	2,977

¹ The total shareholding of the Group in Bayport Colombia SAS is 90.8893% as Bayport Latin America Holdings Ltd also holds 7.63% of the shares in Bayport Colombia SAS.

³ Bayport Latin America Holdings Ltd holds the other 99% of the shares in Actvest Mexico, S.A.P.I de C.V, SOFOM, E.N.R.

Name	Location and Date of incorporation/acquisition	Stated Capital USD	Percentage of voting power	No. of shares
Financial Services Rwanda SARL (dormant)	September 2008			
Bayport Financial Services 2010 Proprietary Limited (Micro Finance Business)	South Africa January 2014	132,592,566	100%	26,000,000
Zenthyme Investments Proprietary Limited (Investment Holding)	South Africa January 2014	6,687.73	100%	4,000,000
Actvest Limited (Investment holding and Consultancy)	Mauritius April 2009	1	100%	1
Bayport Financial Services Mozambique (Mcb) S.A (Sociedade Anonima) (Micro Finance Business)	Mozambique July 2012	15,278,424	99%	4,750
Actvest Mexico S.A.P.I de C.V, SOFOM, E.N.R (subsidiary of Bayport Latin America Holdings Ltd) (Investment Holding)	Mexico June 2013	3,820	1% ³	100
Libraval S.A.S (subsidiary of Actvest Ltd) (Insurance)	Colombia January 2012	14,145	82.91%	205,243
Convence Med (Pty) Ltd (subsidiary of Bayport)	South Africa January 2012	334,39	100%	100

Name	Location and Date of incorporation/acquisition	Stated Capital USD	Percentage of voting power	No. of shares
Financial Services 2010 Proprietary Limited) (Business Activities not restricted)				
Bayport Securitisation (RF) Ltd (subsidiary of Bayport Financial Services 2010 Proprietary Limited) (Provider of Personal Loans to qualifying borrowers)	South Africa January 2014	83.60	100% non-redeemable Preference Shares	100
Hollard Business Associates (Pty) Ltd (subsidiary of Zenthyme Investments Proprietary Limited) (Cell Company)	South Africa January 2014	Not available ²		50AB Ordinary Shares
Bayport Latin America Holdings Ltd (formerly known as Invik (Mauritius) Ltd) (Investment Holding)	Mauritius March 2013	1,037,799	100%	1,000
Financiera Fortaleza, S.A de C.V, SOFOM, E.N.R (Subsidiary of Actvest Mexico S.A.P.I de C.V, SOFOM, E.N.R) (Microfinance	Mexico October 2014	5,431,093	60% ⁵	67,534

² Zenthyme Investments Proprietary Limited has a de minimis shareholding in Hollard Business Associates (Pty) Ltd. The issuer has no information in respect of the business and share capital of Hollard Business Associates (Pty) Ltd.

Name	Location and Date of incorporation/acquisition	Stated Capital USD	Percentage of voting power	No. of shares
Business)				
Lintpale Investments (Pty) Ltd (dormant) (Business Activities not restricted)	South Africa August 2014	No Stated Capital	100%	120
Toriclox Proprietary Limited (dormant) (Business Activities not restricted)	South Africa July 2014	No Stated Capital	100%	120

4.6 **Organisational Structure of the Issuer**

The Issuer is the holding company of eighteen operational Subsidiaries All eighteen Subsidiaries other than Bayport Financial Services Rwanda SARL and Actvest Mexico S.A.P.I de C.V, SOFOM, E.N.R. are, as of the Last Practicable Date, operational.

LR 18.37

The Issuer holds no significant assets other than the investments in the operational Group of companies and is therefore dependent upon the receipt of income related to the operation of its subsidiaries.

The Issuer runs the group company office which determines the regulatory, funding, treasury and compliance requirements across the Group. The Issuer's role in the Group is to ensure that the operations meet the standards of responsible corporate behaviour relating to the Group's lending practice.

The Issuer's Registered Office is c/o DTOS Ltd. 10th Floor. Raffles Tower, 19 Cyber City, Ebene, Republic of Mauritius. The Issuer's headquarters is located at Ebene Skies, 3rd Floor, Rue de L'Institut, Ebene, Republic of Mauritius.

4.7 **Financial and Business Prospects**

Since 31 December 2014, business has been in line with the Directors' expectations and demonstrates continued growth in the Group's unsecured credit and consumer finance business.

LR 18.43(a)

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LR 18.43(b)

4.8 **Earnings Per Share**

The basic earnings per ordinary share in respect of the Issuer over the last three years are as follows: in respect of the year ended 31 March 2012, \$1.21 per ordinary share, in respect of the year ended 31 March 2013, \$1.28 per ordinary share, in respect of the year ended 31 March 2014, \$0.76 per ordinary share and in respect of the nine months ended

LR 18.49

31 December 2014, \$1.74 per ordinary share. For each of the foregoing periods, the Issuer declared no dividend.

4.9 Substantial Shareholders

As at the Last Practicable Date, the following Shareholders, other than Directors, have, directly or indirectly, a beneficial interest of 5% or more in the share capital of the Issuer:

LR 18.54

Shareholder	Direct interest	Indirect interest	Total	% Shareholding
Kinnevik	7,428,902	-	7,428,902	30.61%
Darrow International Limited	2,595,000	-	2,595,000	10.69%
Elsworthy Holdings Ltd	1,077,000	-	1,077,000	4.44%
Grant Colin Kurland	2,863,057	-	2,863,057	11.80%
Stuart Stone	2,582,000	-	2,582,000	10.64%
Groundsel Investments Limited	1,517,707	-	1,517,707	6.25%
Takwa	5,621,135	-	5,621,135	23.16%

5 INFORMATION ON THE BOARD, MANAGEMENT AND EMPLOYEES

LR 18.50

5.1 Directors of the Issuer

The Board currently consists of twelve directors and one alternate director, namely: Grant Kurland, Stuart Stone, Eric A Venpin, Jimmy Wong, Justin Chola, Jonathan Michael Jawno, Voria Fattahi, Christopher Bishoff, Tope Lawani, Souleymane Ba, Roberto Rossi and Vladimir Gurgenzidze. Michael Mendelowitz is an alternate director to Jonathan Michael Jawno and to Roberto Rossi.

Mr Grant Kurland, Joint Chief Executive Officer and member of the Board and as at the Last Practicable Date holds 11.80% of the Ordinary Shares of the Issuer (South African, aged 44)

Grant Kurland is the Joint Chief Executive Director and an Executive member of the Board since 2009. He is also a member (by invitation) of the Remuneration Committee and Audit Risk and Corporate Governance Committee, of the Issuer. He is a member of the Asset and Liability Committee and chairperson of the Administrative Committee of the Issuer.

LR 18.53

Grant Kurland is further a member of the board of directors of Bayport Financial Services (T) Limited, Bayport Financial Services Uganda Limited, Consumer Finance Company Limited, Bayport Financial Services 2010 (Pty) Limited, Bayport Colombia SAS, Bayport Financial Services Mozambique (MCB) S.A., Actvest Mexico and Bayport Latin America Holdings Ltd as well as chairperson of BFS Zambia, and Money Quest Investments (Proprietary) Limited.

Grant Kurland studied actuarial science, statistics and affiliated business science subjects for three years before pursuing entrepreneurial opportunities.

Mr Stuart Stone, Joint Chief Executive Officer and member of the Board as at the Last Practicable Date holds 10.64% of the Ordinary Shares of the Issuer (South African, aged 46)

Stuart Stone is the Joint Chief Executive Director of the Issuer and a Member of the Board since 2005. He is also a member of the Asset and Liability Committee of the Issuer. He is a member (by invitation) of the Audit Risk and Corporate Governance Committee. Stuart Stone is further a member of the board of directors of Bayport Financial Services Ghana Limited, Zenthyme Investments (Pty) Ltd, BFS Zambia, Bayport Colombia SAS and Libraval S.A.S. (alternate director) and the Executive Deputy Chairman of Bayport Financial Services 2010 (Pty) Limited.

Stuart Stone holds a Bachelor of Commerce as well as a Post Graduate Diploma in Accounting. His field of expertise is developing micro finance businesses.

Mr Eric A Venpin, Independent Non-Executive Director and a member of the Board (Mauritian, aged 48)

Eric A Venpin is an independent non-executive Director and a member of the Board since 2007. He is also the chairperson of the Audit, Risk and Corporate Governance Committee of the Issuer and a member of the Administrative Committee.

Eric Venpin is a fellow of the Institute of Chartered Accountants In England and Wales and a member of STEP. He is a consultant on change management, financial structuring and planning.

Mr Jimmy Michael Wong Yuen Tien, Independent Non-Executive Director and a member of the Board (Mauritian, aged 46)

Jimmy Wong is an independent non-executive Director and a member of the Board since 2007. He is also the chairman of the Remuneration Committee of the Issuer and a member of the Administrative Committee

LR 18.53

Jimmy Wong is a fellow of the Institute of Chartered Accountants in England and Wales and a member of STEP. He is a director of many global business companies and advises numerous multinational companies including Fortune 500 companies operating in various sectors.

Mr Justin Chola, Non-Executive Director and a member of the Board and as at the Last Practicable Date holds 1% of the Ordinary Shares of the Issuer (Zambian, aged 53)

Justin Chola is a non-executive Director and a member of the Board since 2007. He is also a member (by invitation) of the Asset and Liability Committees of the Issuer.

Justin Chola is further a member of the board of directors of Bayport Financial Services Ghana Limited and a member of the board of directors and the CEO of BFS Zambia.

Justin Chola holds an MBA from Cornell University and is an expert in developing micro finance businesses.

Mr Jonathan Michael Jawno, Non-Executive Director and a member of the Board and has an interest in Elsworthy Holdings Ltd and Darrow International Services Limited which at the Last Practicable Date hold 4.44% and 10.69% respectively of the Ordinary Shares of the Issuer (South African, aged 49)

Jonathan Michael Jawno is a non-executive Director and a member of the Board since 2010. He is also a member of the Remuneration Committee, the Audit, Risk and Corporate Governance Committee and Asset and Liability Committees of the Issuer.

He is also a director of Bayport Financial Services 2010 (Pty) Limited

Mr Jawno is a contingent beneficiary of trusts which hold shares in Elsworthy Holdings Ltd and Darrow International Services Limited, which are Shareholders.

Jonathan Jawno is a member of the South African Institute of Chartered Accountants. He is the co-founder and director of Transaction Capital (Pty) Ltd, a company with assets in excess of South African Rand five billion.

Mr Voria Fattahi, Non-Executive Director and a member of the Board and a representative of Kinnevik New Ventures AB. As at the Last Practicable Date Kinnevik New Ventures AB holds 30.61% of the Ordinary Shares of the Issuer (Swedish, aged 33)

Voria Fattahi is a non-executive Director and member of the Board since 2011. He is also a member of the Asset and Liability Committee, Audit Risk and Corporate Governance Committee of the Issuer.

Voria Fattahi holds a MBA from INSEAD and received a scholarship from the Marcus Wallenberg Foundation for Education in International Industrial Enterprise. He is also an Investment Manager at Investment AB Kinnevik, which through Kinnevik New Ventures AB is a shareholder of the Issuer.

Mr Christopher Bischoff, Non-Executive Director and a member of the Board and a representative of Kinnevik New Ventures AB. As at the Last Practicable Date Kinnevik New Ventures AB holds 30.61% of the Ordinary Shares of the Issuer (Swedish, aged 41)

Christopher Bischoff is a non-executive Director and a member of the Board since 2014. He is also a member of the Remuneration Committee of the Issuer.

Christopher Bischoff holds an MBA from INSEAD. He is a member of the board of directors of Avito, Saltside (of which he is the chairperson), Iroko, Konga, BIMA, Quikr and of Kinnevik Capital Limited as well as the Chief Operating Officer of Kinnevik Capital Limited.

Temitope Lawani, Non-Executive Director, member of the Board, and a director of Helios Investment Partners LLP, a company affiliated with Takwa. As at the Last Practicable Date Takwa holds 23.16% of the Ordinary Shares of the Issuer (British, aged 44)

LR 18.53

Topo Lawani is a non-executive Director and a member of the Board since 2014.

He is the co-founder and managing-director of Helios Investment Partners, a private investment firm formed to pursue alternative asset class investments in Sub-Saharan Africa. Helios is an affiliate of Takwa, which is a Shareholder.

Temitope Lawani holds an MBA from the Harvard Business School and a Juris Doctor from Harvard Law School. He is the co-founder and Managing Director of Helios Investment Partners.

Souleymane M Ba, Non-Executive Director, member of the Board, and a principal of Helios Investment Partners LLP, a company affiliated with Takwa. As at the Last Practicable Date Takwa holds 23.16% of the Ordinary Shares of the Issuer (Senegalese, aged 34)

Souleymane M Ba is a non- executive Director and a member of the Board since 2014. He is also a member of the Audit, Risk and Corporate Governance Committee, the Remuneration Committee and the Asset and Liability Committees of the Issuer.

Souleymane Ba holds an MBA from Harvard Business School. He is a member of the board of directors of ARM Pension Managers in Nigeria.

Michael Mendelowitz, alternate Non-Executive alternate Director to Roberto Rossi and Jonathan Michael Jawno and has an interest in Elsworthy Holdings Limited and Darrow International Services Limited which at the Last Practicable Date holds 4.44% and 10.69% respectively of the Ordinary Shares of the Issuer (South African, aged 49)

Michael Mendelowitz is a non-executive alternate Director to Roberto Rossi and Jonathan Michael Jawno He is also a member of the Remuneration Committee. He is also a director of Bayport Financial Services 2010 (Pty) Limited.

Michael Mendelowitz is a contingent beneficiary of trusts which hold shares in Elsworthy Holdings Ltd and Darrow International Services Limited, which are Shareholders

Michael Mendelowitz is a chartered accountant in South Africa and has completed his articles at Deloitte & Touche. He is a co founder of Transaction Capital Limited, which is a company with assets in excess of South African Rand five billion.

Vladimer Gurgenzidze, Chairperson of the Board of Directors and as at the Last Practicable Date holds 0.17% of the Ordinary Shares of the Issuer (Georgian, aged 44)

Vladimer Gurgenzidze is the chairperson of the board of the Issuer and a member of the Board of Directors since 2014. He is also a member of the Asset and Liability Committee.

Vladimer is a career banker and an executive chairperson of Liberty Bank and the chairperson of the Bank of Kigali.

Roberto Rossi, Non-Executive Director, member of the Board and has an interest in Elsworthy Holdings Ltd and Darrow International Services Limited which at the Last Practicable Date hold 4.44% and 10.69% respectively of the Ordinary Shares (South African, aged 53)

Roberto Rossi is a non-executive Director and a member of the Board since 2015. Mr Rossi is a contingent beneficiary of trusts which hold shares in Elsworthy Holdings Ltd and Darrow International Services Limited, which are Shareholders.

Roberto Rossi holds a BSc as well as a graduate diploma. He is the co-founder of Transaction Capital Limited, which is a company with assets in excess of South African Rand five billion.

5.2 Senior Management Profiles

Mr Grant Kurland

Grant Kurland is the joint Chief Executive Officer of the Issuer. For further information please refer to Section 6.1 above.

Mr Stuart Stone

Stuart Stone is the joint Chief Executive Officer of the Issuer. For further information please refer to Section 6.1 above.

Mr Stephen Williamson

Stephen Williamson is the Executive Finance of the Issuer and is a director of Bayport Securitisation (RF) Ltd.

Chris Lubbe

Chris Lubbe is the Credit Executive of the Company and is an alternate director of LibraVal S.A.S.

David Rajak

David Rajak is the Capital Markets Executive and is a member of the board of directors of Bayport Colombia SAS and a member of the Asset and Liability Committee.

David Rogers

David Rogers is the Chief Innovation Officer and is an alternate director of LibraVal S.A.S. and a member of the board of directors of Airflow Interactive Pty Ltd and Purple Rain Properties Pty Ltd.

John White

John White is the Chief Harmonisation Officer and is an alternate director of Bayport Colombia SAS.

Nicole Sanderson

Nicole Sanderson is the Head of Group Brand and Marketing and is an executive director and part owner of Betelgeuse Advertising (Pty) Ltd.

Paul Rodgers

Paul Rodgers is the Group Executive responsible for Strategy and Product Development of the Issuer and is an alternate director of Bayport Colombia SAS.

Paul Silverman

Paul Silverman is Head of New Business Development and is a director of Money Quest Investments Proprietary) Limited and Bayport Financial Services Mozambique (MCB) S.A. and an alternate director of Bayport Colombia SAS.

Ted Kristensson

Ted Kristensson is the Latin America and Corporate Affairs Executive and is a director of Bayport Colombia SAS, Bayport Latin America Holdings Ltd and Actvest Mexico.

Trevor Govender

Trevor Govender is the Sales & Distribution Executive.

Mohamed Ebrahim

Mohamed Ebrahim is the Group Forensic Executive.

Ettienne Myburgh

Ettienne Myburgh is the Insurance Executive.

Christo Koch

Christo Koch is the Group Finance Executive.

Marlene Van Heerden

Marlene Van Heerden is the Chief Audit Executive.

Ian Wood

Ian Wood is the Risk and Compliance Executive, he is a director of Bayport Financial Services South Africa.

5.3 Independent auditors and reporting accountant

Deloitte Mauritius was appointed as the auditor of the Issuer in 2005 and has thereafter been reappointed at each annual meeting up until the date of this document. Ms Aline Ah Hee, a group partner at Deloitte Mauritius, is responsible for the Issuer. She is a member of Association of Chartered Certified Accountants.

LR 18.11

Deloitte Mauritius's business address is: Deloitte, 7th Floor, Raffles Tower, 19 Cyber City, Ebene, Republic of Mauritius. LR 18.14(a)

The Issuer engaged Deloitte Mauritius to prepare an accountants' report for the purposes of Listing Rule 8.8. A copy of the report is attached as Annexure A.

Deloitte Mauritius does not hold shares in any member of the Group.

5.4 **Secretary of the Issuer**

DTOS Ltd was appointed as secretary of the Issuer in connection with the incorporation of the Issuer and is still the secretary of the Issuer as at the date of this document. LR 18.51

In accordance with the Companies Act, the duties of the secretary include, but are not limited to:

- (a) providing the Board with guidance as to its duties, responsibilities and powers;
- (b) informing the Board of all legislation relevant to or affecting meetings of shareholders and directors and reporting at any meetings and the filing of any documents required of the company and any failure to comply with such legislation;
- (c) ensuring that minutes of all meetings of shareholders or directors are properly recorded and all statutory registers be properly maintained;
- (d) certifying in the annual financial statements of the company that the company has filed with the Registrar all such returns as are required of the company; and
- (e) ensuring that a copy of the company's annual financial statements and where applicable the annual report are sent to every person entitled to such statements or report.

The business address of DTOS Ltd. is: 10th Floor, Raffles Tower, 19 Cyber City, Ebene, Republic of Mauritius.

6 **ISSUER'S CONSTITUTION**

The Issuer's constitution contains provisions to the following effect:

LR 18.21

6.1 **Objectives**

The objectives of the Issuer are set out in Section 5.2 of.

6.2 **Voting**

Each share shall carry one vote. An ordinary resolution may be approved by a simple majority of votes. A special resolution may be approved by a majority of 75% of the votes of the Shareholders entitled to vote and voting on the matter.

6.3 **Dividend Rights**

Any distribution of dividends will be subject to the solvency test being satisfied. The Board may at such time as it thinks fit, authorise and declare a dividend or other distribution of such amount as it may determine.

If five years have passed from the date on which a dividend becomes due for payment and the recipient has not claimed it, the entitlement will lapse and the amount of the dividend will cease to remain owing by the Issuer.

LR 18.13(g)

6.4 **Distributions**

Each share has equal rights on distribution of capital and income.

6.5 **Winding Up**

In case of winding up, the proceeds from the sale of the Issuer's assets shall be used to repay the Issuer's debts and other liabilities including the cost of liquidation. Any surplus remaining shall then be distributed amongst the Issuer's shareholders in proportion to their respective shareholdings.

6.6 **Issue of new shares**

New shares must be issued in accordance with the provisions of the Companies Act.

LR 18.13(f)

6.7 **Buy back**

The Issuer may purchase or otherwise acquire its shares in accordance with, and subject to sections 68, 69 and 76 or section 110 of the Companies Act. It may hold the acquired shares in accordance with section 72 of the Companies Act.

LR 18.13(f)

6.8 **Variation of Rights**

If, at any time, the stated capital of the Issuer is divided into different classes of shares, the Issuer shall not take any action which varies the rights attached to a class of shares unless that variation is approved by a special resolution, or by consent in writing of the holders of at least one third of the issued shares of the class.

6.9 **Directors' Interests**

A Director shall not vote on any contract or arrangement or any other proposal in which he or his associates have a material interest or any matter arising there from nor shall he be counted in the quorum present at the meeting. LR 18.13(a)

6.10 **Directors' remuneration**

Subject to the prior or subsequent approval by a resolution of Shareholders, the Board may by a resolution of directors, fix the remuneration or benefits of directors with respect to services to be rendered in any capacity to the Issuer. LR 18.13(b)

6.11 **Retirement of Directors**

Every director shall hold office until removed from office by ordinary resolution passed at a meeting called for the purpose that includes the removal of that director. The office of director shall become vacant at the conclusion of the annual meeting commencing next after the director attains 70 years of age. LR 18.13(d)

6.12 **Transfer of Securities**

Every change in the ownership of shares in the capital of the Issuer is subject to the limitations and restrictions set out in the Companies Act. LR 18.13(h)

Subject to compliance with sections 87(1) to 89 of the Companies Act, the Board may refuse or delay the registration of any transfer of any share to any person whether an existing Shareholder or not, where:

- (a) so required by law;
- (b) registration would impose on the transferee a liability to the Issuer and the transferee has not signed the transfer;
- (c) a holder of any such share has failed to pay on the due date any amount payable thereon either in terms of the issue thereof or in accordance with the Constitution (including any call made thereon);
- (d) the transferee is a minor or a person of unsound mind;
- (e) the transfer is not accompanied by such proof as the Board reasonably requires of the right of the transferor to make the transfer; or
- (f) the Board acting in good faith decides in its sole discretion that registration of the transfer would not be in the best interests of the Issuer and/or any of its Shareholders.

RISK FACTORS

The financial performance of the Issuer and the risks associated with its business are important in so far as such risks may affect its financial performance. A number of factors influence and could influence the Issuer's operations and financial performance and ultimately its ability to make interest payments and payments of principal on maturity. In this Section 8 a number of risk factors are illustrated and discussed. The risk factors below are not ranked in order of importance and no claim is being made that the list is exhaustive.

LR18.43(b)

The Issuer's activities expose it to a variety of risks. Its overall risk management programme focuses on the identification and management of risks and seeks to minimise potential adverse effects on its financial performance by the use of underwriting guidelines, capacity limits, reinsurance planning, credit policy governing the acceptance of clients and defined criteria for the approval of intermediaries and reinsurers. Investment policies are in place to help manage liquidity and seek to maximise return within an acceptable level of interest rate risk.

Additional risk factors that are not currently known or not currently considered to be material may also affect the Issuer's future operations, performance and financial position.

7.1 Business and Market Related Risks

(a) *Macro-economic risks*

Although the majority of the Issuer's customers are employed within the civil service of each country, and employment in this sector is typically inelastic to change in macro-economic conditions, there is a risk that a change in the macro economic conditions in the countries of operation could lead to a change in employment conditions for the Issuer's customers which may have a material adverse effect on the Issuer's operations.

(b) *Loss of a deduction code*

The Issuer relies on the ability to collect directly from the payroll of its customers in order to service the outstanding loans, which is facilitated through deduction codes. Deduction Code is the agreement that the Issuer has with employers, in order to effect payroll deduction. . The loss of deduction codes may therefore have a material adverse effect on the Issuer's business, financial condition and results of operation.

(c) *Organisational risks and operational risks*

The Issuer's operations are dependent on its individual employees. The Issuer's future development depends to a large extent on the management's and other key personnel's knowledge, experience and commitment.

The Issuer's development would therefore be adversely affected if any key personnel would resign from their assignment.

In the context of the Issuer's current operations, the Issuer may incur losses due to disruption, failure or other ineffectiveness of procedures, internal controls or other reporting or administrative systems used in its operations. Lack of procedures and lack of internal controls may lead to that the management loses control over corporate governance, which would cause the Issuer harm.

LR18.43(b)

(d) *The Issuer is a holding company*

The Issuer is a holding company and holds no significant assets other than investments in the Subsidiaries. The Issuer is thus dependent upon receipt of sufficient income related to the operation of and the ownership in the Subsidiaries. A decrease in any such income may have a material adverse effect on the Issuer's financial condition, results of operations and ability to meet financial obligations.

(e) *Political risks*

The Issuer operates in a number of countries where political instability may lead to a slowdown in levels for origination in that particular country. Increased political instability in any country where the Issuer operates may have a material adverse effect on the Issuer's business and its financial condition or may even require the Issuer to change or discontinue existing products, services, businesses or business models in the affected region.

(f) *Dependence on relationships with state bodies*

The Group has entered into a number of a cooperation agreements with public-sector employers in the jurisdictions in which they operate and it is through these relationships that the Group promotes its payroll loan products. These cooperation agreements can be terminated through simple notices. In the event that the Group and/or its public relations advisors are unable to maintain their contacts with federal, state and local governments or labour unions, the Group's ability to originate new payroll loans could be diminished, which could reduce the size of the Group's loan portfolio and affect its growth. In addition, the credit risk of the Group's existing payroll loan portfolio could increase because payments on existing payroll loans could no longer be collected directly from the public sector employers of its borrowers or from the labour unions to which they belong. Any deterioration in the relationship between the Group and the public sector employers or any changes to the collection process of payroll loans may result in the termination or breach of the cooperation agreements (including for not complying with the agreements in a timely fashion) and have a material adverse effect on the Group's business, financial condition and results of operations.

(g) *Exposure to legislative and regulatory changes*

Amended legislation or regulatory measures relating to, *inter alia*, banking, acquisition and tax laws or new case law may have negative consequences for the Issuer. Any changes in applicable legal requirements with regard to permits, permissions or licenses required for the operations of the Group in the local jurisdictions may necessitate the Issuer to change or discontinue existing products, services, businesses or business models or incur significant expenses or liabilities, any of which may have a material adverse effect on the Issuer's business and financial condition or result of operations.

(h) *Loss of money licenses or business license*

In most countries of operation, the Issuer is dependent on money licenses, business licenses or other permits or permissions from local authorities to conduct its business. If any such license, permit or permission is not renewed or revoked, this would have a material adverse effect on the Issuer's business and financial condition or result of operations.

(i) *Risks related to taxes*

The Issuer operates its business through its Subsidiaries in each of the geographic markets in which it operates. The business is conducted in accordance with the Issuer's interpretation of applicable laws, tax treaties, regulations and requirements of the tax authorities in the relevant countries. However, it is not certain that the Issuer's interpretation of applicable laws, tax treaties, regulations, or administrative practice is correct, or that such rules are not changed, possibly with retroactive effect.

Legislative changes or decisions by tax authorities may impair the present or previous tax position of the Issuer and may have a material adverse effect on its business, financial condition or results of operations.

(j) *Influence of major shareholders*

The Issuer has several major shareholders, one of whom has a shareholding in the Issuer exceeding 30% and which may as a result of its controlling stake influence the Issuer, *inter alia*, on matters that are subject to approval at the shareholders' meeting.

7.2 **Financial Risks**

The Issuer is, through its Subsidiaries' activities, exposed to financial risks such as risks relating to interest rate, credit, counterparties, liquidity and refinancing.

(a) *Credit risks and risks relating to counterparties*

Credit risks and risks relating to counterparties, concern the risk of losses if the counterparty does not fulfil its obligations. The Issuer's credit and counterparty risks consist of exposures to commercial counterparties and financial counterparties. The Issuer's commercial credit and counterparty risk primarily consist of arrears which are distributed over a large number of counterparties. Credit and counterparty risks relating to financial counterparties are limited to financial institutions with high credit ratings.

LR18.43(b)

The Issuer's primary credit and counterparty risk is that the customers cannot repay their debt under the individual loan agreements. Furthermore, the loans offered by the Subsidiaries to its customers are unsecured and in most jurisdictions in which the Subsidiaries operate the involvement of public courts are time-consuming and expensive. Furthermore, enforcement of court orders is unreliable in several jurisdictions of operation.

The aforementioned judicial conditions and the relatively small amounts granted under each of the individual loan agreements has meant that the Issuer seldom or never pursues debts under the individual loan agreements which for various reasons have not been deducted from the customer's payroll through judicial proceedings. Although, in certain markets where the Issuer operates, all loans for a longer time period than six months include a mandatory "Credit Life Policy" which insures the Issuer against death, disability, dreaded disease or retrenchment of the customer, it cannot be guaranteed that the aforementioned risks will not have a material adverse effect on the Subsidiaries' financial position and in turn affect the financial position of the Issuer.

(b) *Liquidity and refinancing risks*

Liquidity and refinancing risks represent risks that costs may increase and that opportunities may be limited when loans are refinanced, and that payment obligations may not be met due to insufficient liquidity or difficulties in obtaining financing.

Although the Issuer has diversified its access to capital, the Issuer's business is capital intensive. Access to liquidity is a fundamental prerequisite for developing a successful loan

business and any adverse charge to the Issuer's credit rating could have a serious impact on the Issuer's business. The Issuer plans ahead using forecasting models in order to anticipate any change in funding that may be required well in advance of the actual need. Any forecasting models include a certain level of estimations and expectations on future conditions and the Issuer cannot give any assurances that they will materialise or prove to be correct.

(c) *Interest rate risk*

Interest rate risks refer to risks that result from changes in the market interest which may have a material adverse effect on the Issuer's net interest income. Interest rate risks are attributable to the development of the current interest rate levels. How quickly a change in interest rates affects the net interest income depends on the maturity of the financial assets and financial liabilities.

(d) *Exposure to currency risks*

The Issuer operates in several countries and as a result, generates revenues, incurs costs and grant loans within the Group and to customers in a number of currencies. Consequently, the Issuer's results of operations are subject to currency exchange rate fluctuations. Because the consolidated financial statements of the Issuer are prepared in USD, the Issuer also faces a currency translation risk to the extent that the assets, liabilities, revenues and expenses of the Subsidiaries are denominated in currencies other than USD.

Consequently, there is a risk that increases and decreases in the value of the USD versus local currencies of the Subsidiaries will affect the amount of these items in the Issuer's consolidated financial statements, even if their value has not changed in the original currency.

(e) *Failure to raise capital*

The Issuer may fail to raise the funds it requires to meet its projected future growth. The timing of the raising of such funds depend on a number of factors, including, amongst other things, the revenue generated by the Group's operations, the Group's future capital expenditure and the Group's operating expenditure. While the Issuer is confident it will be able to raise capital in the future, there can be no guarantee of it doing so.

The Issuer may be required to raise additional capital and/or sell additional securities in the future on terms which are more favorable to new investors than the terms under which current shareholders invested in the Issuer. If adequate funds are not available or are not available on acceptable terms, the ability of the Issuer to fund its business plans may be limited.

In the event that the Issuer is unable to raise further equity capital from additional investors, it may look at alternative sources of funding such as loans from financial institutions, the issue of further bonds or additional equity funding from existing shareholders.

8 ADDITIONAL INFORMATION

8.1 Material Contracts

The following are the only material contracts (other than contracts entered into in the ordinary course of business) which have been entered into by members of the Group in the two years immediately preceding the date of this document:

(a) *Acquisition Agreement*

On 22 October 2013, the Issuer entered into an agreement with Bayport Financial Services 2010 Proprietary Limited, Zenthyme Investments Proprietary Limited and Transaction Capital Limited pursuant to which Bayport Financial Services 2010 Proprietary Limited and Zenthyme Investments Proprietary Limited became wholly owned subsidiaries of the Issuer. Completion of the Issuer's acquisition of a 100% interest of the issued share capital in each of Bayport Financial Services 2010 Proprietary Limited and Zenthyme Investments Proprietary Limited occurred on 7th January 2014.

LR 18.56

(b) *Subscription agreement*

On 22 October 2013, the Issuer entered into a subscription agreement with Kinnevik, Grant Kurland, Takwa and Groundsel in relation to the subscription by those parties for 7,720,293 fully paid Ordinary Shares in the Issuer. Those shares were issued on 7th January 2014.

(c) *Subscription and Share Purchase Agreement*

On 20th May 2015, the Issuer entered into the Subscription and Share Purchase Agreement with the Existing Shareholders and PIC. Details of the Subscription and Share Purchase Agreement are set forth in Section 3.6 of this document.

LR 18.32

8.2 Directors' Interests in any Contract or Arrangement

(a) *Actvest*

Actvest is a South African company in which Grant Kurland, Stuart Stone and Justin Chola are interested. It is owned as to 46.94% by Grant Kurland, 46.94% by the Stuart Stone Family Trust, 4.60% by Justin Chola and 1.52% by Etienne Coetzer.

LR 18.55

Based on its management accounts for the year ended 31 December 2014, Actvest's revenues were approximately South African Rand 96,205,454 and its loss after tax approximately South African Rand 19,610,399

Actvest has entered into professional service agreements with certain of the Subsidiaries, being Bayport Financial Services (Uganda) Limited, BFS Zambia Bayport Financial Services (Tanzania) Limited, Bayport Financial Services Ghana Limited, Consumer Finance Company, Money Quest Investments Ltd, Bayport Colombia SAS, Bayport Financial Services Mozambique and Bayport Financial Services 2010 (Proprietary) Limited to provide consulting services (which include accounting, information technology, human resources, procurement, training and general advisory services) to the Group on both a fixed fee and "cost plus" basis).

(b) *BFS Zambia*

Mr Justin Chola, who is a director of both the Issuer and BFS Zambia and Ms Martha Akapelwa, who is a director of BFS Zambia, respectively have 319,233 and 100,000 ordinary shares in the capital of BFS Zambia, and are parties to a shareholders' agreement in respect of BFS Zambia with the Issuer.

Under the shareholders' agreement, shareholders must be offered the opportunity to participate in any equity fundraising in proportion to their respective shareholdings.

The shareholders' agreement contains rights of pre-emption whereby if the Issuer wishes to dispose of its shares in BFS Zambia, it must first offer such shares to all other shareholders pro rata to their respective shareholdings in BFS Zambia.

A carve-out to the rights of pre-emption is that the Issuer is entitled to freely transfer its shares in BFS Zambia to any member of the Group, to Mr Jimmy Wong and his family entities and to Mr Grant Kurland and his family entities.

Both Mr Chola and Ms Akapelwa must obtain the Issuer's prior written consent before disposing of any of their shares in BFS Zambia. The Issuer also has certain "drag along" rights whereby if the Issuer receives a bona fide third party offer to purchase the entire issued ordinary share capital of BFS Zambia, both Mr Chola and Ms Akapelwa will be obliged to accept the offer on the same terms and conditions as the Issuer.

Both Mr Chola and Ms Akapelwa have also undertaken not to compete with the Issuer anywhere in Africa for a period of 24 months from the date they cease to be shareholders.

(c) *No other material interests*

LR 18.55

Save as disclosed above in this Section 9.2, there are no other contracts or arrangements at the date of this document in which a Director is materially interested and which is significant in relation to the business of the Group.

8.3 Governmental, Legal or Arbitral Proceedings

The Issuer is not currently, and has not within the last twelve months been, subject to any material court or administrative proceedings which could have a significant effect on the Issuer's or the Group's financial position or profitability. The Issuer is not aware of any legal proceedings or arbitration proceedings that could arise and which could have a significant effect on the Issuer or the Group's financial position or profitability.

LR 18.48

8.4 Contingent Liabilities

As at the Last Practicable Date, the Group has no material litigation claim outstanding, pending or threatened against, which could have a material effect on the Group's financial position or results.

LR 18.48

8.5 Material Business Interruption

The Issuer confirms that there have been no interruptions in the business of the Group which may have or have had a significant effect on the financial position of the Group in the 12 month period prior to the date of this document.

LR 18.39

8.6 Trade-Marks, Patents or other Intellectual Property Rights

There are no patents or other intellectual property rights, licences, industrial, commercial or financial contracts or new manufacturing processes which are material to the Group's business or profitability.

LR 18.38

8.7 Reporting Currency

The financial statements are presented in USD.

8.8 Directors' interests

Except as disclosed in Section 9.2, Section 6.1 and Section 3 above, there are no Directors with an interest in the Issuer or the Issuer's Group.

8.9 Consents

Deloitte Mauritius has given and not withdrawn its written consent to the inclusion of the accountant's report, attached as Annexure A.

LR 18.14(b)
and (c)

8.10 Transaction expenses

The expenses incurred by the Issuer in the process of listing are as follows:

Detail	Amount in USD	Amount MUR
Legal Fees	10 000	360,000
Listing Fees	2,734	95,000
Other Professional Fees	6,000	216,000
Total	18,734	671,000

LR 18.27

8.11 Documents available for inspection

For a period of 14 days from the date of this document, the following documents may be inspected during normal working hours by relevant parties at the registered office of the Issuer at DTOS Ltd, 10th floor, Raffles Tower, 19 Cybercity, Ebene or at the physical office of the Issuer at 3rd Floor, Ebene Skies, Rue de L'institut, Ebene on giving at least 3 business days' notice to the Issuer.

LR 18.57

The following documents that may be inspected are:

- (a) the Constitution of the Issuer;
- (b) each of the contracts referred to in Section 8.1;
- (c) the Deloitte Mauritius accountant's report attached as Annexure A;
- (d) the statement on a consolidated basis of the information required under rule 9.45 of the SEM Listing Rules attached as Annexure B;
- (e) the audited accounts of the Issuer or, in the case of the group, the consolidated accounts of the Issuer and its subsidiaries for each of the three financial years immediately preceding the issue of this document where applicable, together with in

the case of a Mauritian incorporated issuer all notes, certificates or other information as required by the Companies Act; and

- (f) the original copy of this document.