

COMMUNIQUÉ: Bayport Management Limited

BAYPORT ENTERS INTO ACQUISITION AGREEMENT AND PROPOSES TO RAISE 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.

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.

SEM Requirements

The series of transactions referred to above may fall under the provisions of Chapter 13 of the Listing Rules referring to notifiable transaction. The Company is presently in discussion with the Stock Exchange of Mauritius Ltd (“**SEM**”) to determine the relevant requirements that will need to be complied with, pursuant to the above provisions under the Listing Rules.

The Shareholders of Bayport and the investors in general will be kept informed of further development relating to the above transaction.

By Order of the Board

DTOS Ltd

Secretary

23rd of October 2013

This communiqué is issued pursuant to Listing Rule 11.3.

The Board of Directors of Bayport Management Limited accepts full responsibility for the accuracy of the information contained in this communiqué.

BAYPORT
MANAGEMENT LIMITED

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