

Bayport Management Limited

Prospectus regarding listing of

SEK 700,000,000

13% Bonds

2012/2017

28 June 2012

Important information

This prospectus (the “Prospectus”) has been prepared by Bayport Management Limited (the “Company”) in relation to the application for listing of the Company’s SEK 700,000,000 13% Bonds 2012/2017 (the “Bonds”) at the corporate bond list on NASDAQ OMX Stockholm (“Nasdaq OMX Stockholm”). References to Bayport or the Group refer in this Prospectus to Bayport Management Limited and its subsidiaries, unless otherwise indicated by the context. References to the Company only refer to the parent company Bayport Management Limited. References to the Subsidiaries refer to Actvest Limited, Bayport Financial Services Ghana Limited, Bayport Financial Services (T) Limited, Bayport Financial Services Uganda Limited, Bayport Financial Services Limited, Consumer Finance Company Limited, Money Quest Investments (proprietary) Limited, Bayport Financial Services Namibia (pty) Ltd, Bayport Financial Services Rwanda SARL, Empresa de Microcredito S.A. Fimsa S.A. (Colombia), LibraVal S.A.S. (subsidiary of Actvest Limited), Bayport Financial Services Lesotho Ltd. and Cashfoundry Limited. ABG Sundal Collier AB has acted as financial advisor to the Company in connection with the issue of the Bonds.

The Prospectus has been prepared in accordance with the rules and regulations in the Swedish Financial Instruments Trading Act (Sw. lag (1991:980) om handel med finansiella instrument) and Commission Regulation (EC) no 809/2004 of 29 April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council. The Prospectus has been approved by and registered with the Swedish Financial Supervisory Authority in accordance with the provisions in Chapter 2, Section 25 and 26 of the Swedish Financial Instruments Trading Act. It should be noted that such approval and such registration does not constitute any guarantee from the Swedish Financial Supervisory Authority that the information in the Prospectus is accurate or complete.

This Prospectus is not an offer for sale or a solicitation of an offer to purchase the Bonds in any jurisdiction. It has been prepared solely for the purpose of listing the Bonds at the corporate bond list on Nasdaq OMX Stockholm.

This Prospectus may not be distributed in any country where such distribution or disposal requires additional prospectus, registration or additional measures or is contrary to the rules and regulations in such country. Persons into whose possession this Prospectus comes or persons who acquire the Bonds are therefore required to inform themselves about, and to observe, such restrictions.

The Prospectus will be available at the Swedish Financial Supervisory Authority’s web site (www.fi.se) and the Company’s web site (www.bayportfinance.com). Paper copies may be obtained from the Company.

Unless otherwise explicitly stated, no information contained in this Prospectus has been audited or reviewed by auditors. Certain financial information in this Prospectus has been rounded off and, as a result, the numerical figures shown as totals in this Prospectus may vary slightly from the exact arithmetic aggregation of the figures that precede them. Unless otherwise specified or unless the context otherwise requires, “USD” refers to United States dollars and “SEK” refers to Swedish kronor.

To the extent this Prospectus contains forward-looking statements and assumptions regarding future market conditions, operations and results, the statements can be included in several sections and include statements concerning the Company’s current intentions, assessments and expectations. The words “consider”, “intends”, “deems”, “expects”, “anticipates”, “plans” and similar expressions indicate some of these forward-looking statements. Other such statements may be identified from the context. Although the Company believes that the forecasts of, or indications of, future results, performance and achievements are based on reasonable assumptions and expectations, the Company cannot guarantee the materialization of these forecasts. Actual events and financial outcomes may differ significantly from what is described in such statements as a result of risks and other factors affecting the Company’s operations. Such factors of a significant nature are mentioned in the section “Risk Factors”.

The Prospectus shall be read together with all documents which have been incorporated by reference (see Section “Documents incorporated by reference” below) and possible supplements to the Prospectus.

The Prospectus is governed by Swedish law. Disputes concerning, or related to, the contents of this Prospectus shall be the exclusive jurisdiction of the courts of Sweden. The district court of Stockholm (Sw: Stockholms tingsrätt) shall be the court of first instance.

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Risk factors

All investments in bonds involve a degree of risk. The financial performance of Bayport and the risks associated with Bayport's business are important when making a decision on whether to invest in the Bonds. A number of factors influence and could influence Bayport's operations and financial performance and ultimately the Company's ability to make interest payments and payments of principal on maturity. In this Section a number of risk factors are illustrated and discussed, both general risks pertaining to Bayport's operations and material risks related to the Bonds as a financial instrument. The Section aims at describing the risks associated with Bayport's operations and by that also the Company's ability to fulfill its obligations according to the terms and conditions for the Bonds. The risk factors below are not ranked in order of importance and no claim is being made that the list is exhaustive.

Potential investors should carefully consider the risk factors below and other information in this Prospectus before deciding on making an investment in the Bonds. An investor must, in addition, alone or together with financial and/or other advisors, consider the general business prospects, other information in the Prospectus and general information about the applicable market and companies active on that market, based on their personal circumstances. An investor should possess sufficient knowledge to assess the risk factors and sufficient financial strength to bear those risks.

Additional risk factors that are not currently known or not currently considered to be material may also affect Bayport's future operations, performance and financial position, and consequently the Company's ability to meet its obligations under the terms and conditions for the Bonds.

Risks related to Bayport's business operation

Business and market related risks

Political risks

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

Macro-economic risks

Although the majority of Bayport'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 changed employment conditions for Bayport's customers which may have a material adverse effect on Bayport's operations.

Loss of a deduction code

Bayport 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. The loss of a deduction code may therefore have a material adverse effect on Bayport's business, financial condition and results of operation.

Organizational risks and operational risks

Bayport's operations are dependent on individual employees. Bayport's future development depends to a large extent on the management's and other key personnel's knowledge, experience and commitment. Bayport's development would therefore be adversely affected if any key personnel would resign from their assignment.

In the context of Bayport's current operations, Bayport 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 Bayport harm.

The Company is a holding company

The Company is a holding company and holds no significant assets other than investments in the Subsidiaries. The Company 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 Company's financial condition, results of operations and ability to meet financial obligations.

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 Bayport. 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 Bayport 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 Bayport's business and financial condition or result of operations.

Loss of money licenses or business license

In most countries of operation, Bayport 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 Bayport's business and financial condition or result of operations.

Risks related to taxes

The Company operates its business through its Subsidiaries in each of the geographic markets in which it operates. The business is conducted in accordance with Bayport's interpretation of applicable laws, tax treaties, regulations and requirements of the tax authorities in the relevant countries. However, it is not certain that Bayport'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 Bayport and may have a material adverse effect on its business, financial condition or results of operations.

Influence of major shareholders

The Company has several larger shareholders, one of whom has a shareholding in the Company exceeding 30 per cent and who may as a result of its influence affect the Company, *inter alia*, on matters that are subject to approval at the shareholders' meeting.

Financial risks

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

Credit risks and risks relating to counterparties

Credit risks and risks relating to counterparties, concern the risk of losses if the counterparty does not fulfill its obligations. Bayport's credit and counterparty risks consist of exposures to commercial counterparties and financial counterparties. Bayport'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.

Bayport'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 resulted in that Bayport seldom or never pursue debts under the individual loan agreements which for various reasons have not been deducted from the customer's pay roll through judicial proceedings. Although, in certain markets where Bayport operates, all loans for a longer time period than six (6) months include a mandatory "Credit Life Policy" which insures Bayport 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 Company.

Liquidity and refinancing risks

Liquidity and refinancing risks refer to 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.

Bayport's business is capital intensive. Access to liquidity is a fundamental prerequisite for developing a successful loan business. Bayport 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 Bayport cannot give any assurances that they will materialize or prove to be correct.

Interest rate risk

Interest rate risks refer to risks that result from changes in the market interest which may materially adversely affect Bayport'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.

Exposure to currency risks

Bayport 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, Bayport's results of operations are subject to currency exchange rate fluctuations. Because the consolidated financial statements of the

Company are prepared in USD, Bayport 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 Bayport's consolidated financial statements, even if their value has not changed in the original currency.

Furthermore, the financing of the Company and the interest costs related to the Bonds are in Swedish kronor.

Risks relating to the Bonds

Credit risks

Investors in the Bonds carry a credit risk relating to the Company. The investor's ability to receive payment under the terms and conditions for the Bonds is therefore dependent on the Company's ability to meet its payment obligations, which in turn is largely dependent upon the performance of the Company's operations and its financial position. The Company's financial position is affected by several factors of which a number have been discussed above.

An increased credit risk may cause the market to charge the Bonds a higher risk premium, which would affect the Bonds' value negatively. Another aspect of the credit risk is that a deteriorating financial position of the Company may reduce the Company's possibility to receive debt financing at the time of the maturity of the Bonds.

Interest rate risks

The Bonds' value depends on several factors, one of the most significant over time being the level of market interest. Investments in the Bonds involve a risk that the market value of the Bonds may be adversely affected by changes in market interest rates.

Liquidity risks

The Company cannot guarantee that a liquid market for trading in the Bonds will occur and that such trading is maintained. The Company will apply for registration of the Bonds at the corporate bond list on Nasdaq OMX Stockholm in connection with the approval of this Prospectus by the Swedish Financial Supervisory Authority. Even if securities are admitted to trading on a regulated market, active trading in the securities does not always occur. This may result in that the holders cannot sell their Bonds when desired or at a price level which allows for a profit comparable to similar investments with an active and functioning secondary market. Lack of liquidity in the market may have a negative impact on the market value of the Bonds. Furthermore, the nominal value of the Bonds may not be indicative comparing to the market price of the Bonds if the Bonds are admitted for trading at the corporate bond list on Nasdaq OMX Stockholm.

It should also be noted that during a given time period it may be difficult or impossible to sell the Bonds due to, for example, severe price fluctuations, close down of the relevant market or trade restrictions imposed on the market.

Risks relating to the clearing and settlement in Euroclear's book-entry system

The Bonds are affiliated to Euroclear Sweden AB's ("**Euroclear**") account-based system, why no physical notes have been, or will be, issued. Clearing and settlement relating to the Bonds is carried out within Euroclear's book-entry system as well as payment of interest and repayment of the principal. Investors are therefore dependent on the functionality of Euroclear's account-based system.

Preferential rights

The Company has currently no other material undertakings with regard to loans from banks or other credit institutions. The Company may however in the future decide to take up loans from such institutions. Such loans may constitute a priority claim on the Company. In 2010 the Company issued bonds with an aggregated nominal amount of SEK 700,000,000. The Bonds may not be redeemed prior to the redemption of these bonds.

Subject to possible restrictions in the terms and conditions for the Bonds, the Company may further decide to issue other market loans.

The Company has further provided guarantees in relation to undertakings of its subsidiaries under certain loan agreements. In addition the Company has received approval from holders of the bonds issued in 2010 to give additional guarantees for USD 10 million to funders of Money Quest Investments (proprietary) Limited.

The Bonds represent an unsecured obligation of the Company. This means that in the event of bankruptcy, re-organization or wind-up of the Company, the holders of the Bonds normally receive payment after any priority creditors have been fully paid.

Each investor should be aware that there is a risk that an investor in the Bonds loses all or part of their investment if the Company becomes bankrupt, carries out a re-organization or is wound-up.

Amended or new legislation

This Prospectus and the terms and conditions for the Bonds are based on Swedish law in force at the date of this Prospectus. No assurance can be given on the impact of any possible future legislative measures or changes or modifications to administrative practices.

Risks related to early redemption

The Company has, under the terms and conditions for the Bonds, reserved the possibility to redeem all outstanding Bonds before the final redemption date. If the Bonds are redeemed before the final redemption date, the holders have the right to receive an early redemption amount which exceeds the nominal amount. However, there is a risk that the market value of the Bonds is higher than the early redemption amount.

Responsible for the information in the Prospectus

The Company issued the bond loan referred to in this Prospectus on 12 June 2012. The Prospectus has been prepared for the purpose of listing the Bonds at the corporate bond list on Nasdaq OMX Stockholm and in accordance with the Commission Regulation (EC) no 809/2004 of 29 April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council and the rules and regulations in Chapter 2 of the Swedish Financial Instruments Trading Act.

The Company is responsible for the information given in this Prospectus. The Company confirms that, having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is, to the best of the Company's knowledge, in accordance with the facts and contains no omissions likely to affect its import. The Board of Directors is responsible for the information given in this Prospectus only under the conditions and to the extent set forth in Swedish law. The Board of Directors confirms that, having taken all reasonable care to ensure that such is the case, the information in this Prospectus is, to the best of the Board of Directors' knowledge, in accordance with the facts and contains no omissions likely to affect its import.

Ebene, 28 June 2012

BAYPORT MANAGEMENT LTD

The Board of Directors

The Bonds in brief

This Section contains a general and broad description of the Bonds and is not a comprehensive description of the Bonds. Potential investors should therefore carefully consider the Prospectus as a whole, including documents incorporated by reference, before a decision is made to invest in the Bonds. The full terms for the Bonds can be found in the Section “Terms and Conditions for the Bonds”.

Concepts and terms defined in the Section “Terms and Conditions for the Bonds” or anywhere else in the Prospectus are used with the same meaning in the summary unless otherwise is explicitly understood from the context.

Summary of the Bonds

The Bonds are debt instruments, intended for public market trading, which confirm that the Holder has a claim on the Company. The Bonds constitute direct, unconditional, unsecured and unsubordinated obligations of the Company. The bond loan, which is the second bond loan issued by the Company, was resolved on by the Board of Directors of the Company and approved by a written resolution of the Shareholders on 1 June 2012. The bond loan has been issued for general corporate purposes and was taken up in connection with the refinancing of the Company.

The bond loan amount to SEK 700,000,000, represented by Bonds, each of a nominal amount of SEK one million (1,000,000) or full multiples thereof, is denominated in SEK and the ISIN code is SE0004649713. The Bonds have been issued in accordance with Swedish law and are connected to the account-based system of Euroclear. Holdings of the Bonds are registered on behalf of the Holders on a Securities Account and no physical notes have or will be issued. Payment of principal and interest as well as, if applicable, withholding of preliminary tax will be made by Euroclear.

Holders of the Bonds have a right to receive interest and the Bonds shall be redeemed by the Company at the Nominal Amount on the relevant redemption date. The bond loan is payable on 12 June 2017 or on such earlier date which follows from Section 9 (*Early redemption by request of the Company*) and 12 (*Acceleration of the Bonds*) of the terms and conditions for the Bonds. If the Bonds are redeemed early in accordance with Section 9 (*Early redemption by request of the Company*) of the terms and conditions for the Bonds, the Bonds shall be redeemed at the Nominal Amount with an addition of:

- four (4.0) percentage units on the Nominal Amount if the early redemption occurs during the period 13 June 2015 – 12 June 2016 together with accrued interest, and
- two (2.0) percentage units on the Nominal Amount if the early redemption occurs during the period 13 June 2016 – 11 June 2017 together with accrued interest.

The Company shall redeem all outstanding Bonds at the Nominal Amount together with accrued interest on the Final Redemption Date. Payment of the Nominal Amount and accrued interest shall be made to the person who is registered on a Securities Account as holder or otherwise is entitled to receive payment in respect of a Bond on the Record Date. The right to receive payment of the Nominal Amount is prescribed and becomes void ten years from the Final Redemption Date.

The Bonds bear interest from, but excluding, the Issue Date up to, and including, the Redemption Date at an interest rate of 13 per cent per annum. The interest is paid in arrears on each Interest Payment Date and is calculated on a 30/360-days basis. Interest Payment Dates are 12 June 2013, 12 June 2014, 12 June 2015, 12 June 2016 and 12 June 2017. The right to receive payment of interest is limited and becomes void three years from the relevant due date for payment. The calculation of interest is carried out by Euroclear.

ABG Sundal Collier Norge ASA is the Company's initial Issuing Agent and CorpNordic Sweden AB is the Company's initial Agent. Even without a separate authorization from the Holders, the Agent, or a person appointed by the Agent, is entitled to represent the Holders against the Company in every matter concerning the Bonds, whether or not in court or before an executive authority. Further, each Holder shall immediately upon request by the Agent provide the Agent with any such documents, including a written power of attorney, which the Agent deems necessary for the purpose of carrying out its duties under the terms and conditions for the Bonds. The Agent may, at any time, request that a Holders' meeting is convened or request a procedure in writing amongst the Holders, see further Section 13 (*The Agent's right to represent the Holders, the authority of the Agent etc.*) and Section 14 (*Holder's meeting and procedure in writing etc.*) of the terms and conditions of the Bonds. Such meetings or procedures in writing can lead to that a majority decision, binding for all Holders, is passed.

There are no restrictions in the terms and conditions for the Bonds for the Holders to freely transfer the Bonds.

The Bonds have been issued on the Swedish market through a so called private placement. No Bonds have been issued, or will be issued, after 12 June 2012 and the bond loan was subscribed in full on the Issue Date. To simplify the trade in the Bonds, the Company intends to list the Bonds at the corporate bond list on Nasdaq OMX Stockholm. The total number of Bonds being admitted to trading is 700. The listing is also a requirement according to the terms and conditions for the bonds, see further Section 11 (*Special undertakings*) of the terms and conditions for the Bonds. The procedure of first issuing all Bonds and then listing the Bonds at the corporate bond list on Nasdaq OMX Stockholm has been chosen for efficiency reasons. The Company will apply for listing of the Bonds at the corporate bond list on Nasdaq OMX Stockholm in connection with the Swedish Financial Supervisory Authority's approval of this Prospectus. That an application regarding listing of the Bonds on Nasdaq OMX Stockholm has been handed in to Nasdaq OMX Stockholm does however not mean that the application will be approved.

The Bonds are freely transferable and trading in the Bonds can occur between the investors from the Issue Date. The expenses of the admission to trading are estimated to amount to SEK 35,000 in relation to the Swedish Financial Supervisory Authority, SEK 13,000 in relation to Nasdaq OMX Stockholm and fees to advisors.

CorpNordic Sweden AB has acted as Agent to the Company in relation to the issue of the Bonds. For further information on CorpNordic Sweden AB, please see www.corpnordic.se.

Issuing agent and financial advisor

ABG Sundal Collier Norge ASA has acted as Issuing Agent and ABG Sundal Collier AB has acted as financial advisor to the Company in connection with the issue of the Bonds and they have agreed with the Company on receiving remuneration from the Company relating to their assistance.

Terms and Conditions for the Bonds

TERMS AND CONDITIONS FOR
BAYPORT MANAGEMENT LIMITED
MAXIMUM SEK 700,000,000
13% BONDS
2012/2017

ISIN SE0004649713

Issue date 12 June 2012

The distribution of this document and the private placement of the Bonds in certain jurisdictions may be restricted by law. Persons into whose possession this document comes are required by the Company to inform themselves about, and to observe, such restrictions.

The Bonds have not been and will not be registered under the U.S. Securities Act of 1933, as amended, and are subject to U.S. tax law requirements. The Bonds may not be offered, sold or delivered within the United States of America or to, or for the account or benefit of, U.S. persons.

TERMS AND CONDITIONS FOR
BAYPORT MANAGEMENT LIMITED
MAXIMUM SEK 700,000,000
13% BONDS
2012/2017
ISIN SE0004649713

1 Definitions

For the purpose of these Terms and Conditions the following definitions shall apply:

- “Account Operator”** means a bank or other party duly authorised to operate as an account operator pursuant to the Swedish Financial Instruments Accounts Act (*Sw. lag (1998:1479) om kontoföring av finansiella instrument*) and through which a Holder has opened a Securities Account in respect of the Bonds;
- “Agent”** means the agent under these Terms and Conditions from time to time; initially CorpNordic Sweden AB, reg. no. 556625-5476, P.O. Box 16285, 103 25 Stockholm, Sweden;
- “Banking Day”** means a day (other than a Saturday or Sunday) on which banks are open for general business in Stockholm;
- “Bond”** means a debt instrument of the type set forth in Chapter 1 Section 3 of the Swedish Financial Instruments Accounts Act and which has been issued by the Company pursuant to these Terms and Conditions;
- “Change of Control Event”** means the occurrence of an event whereby one or more persons, not being the present shareholders, acting together, acquire control over the Company and where **“control”** means (i) acquiring or controlling, directly or indirectly, more than 50 per cent. of the voting shares of the Company, or (ii) the right to, directly or indirectly, appoint or remove the whole or a majority of the directors of the board of directors of the Company;

“Company”	means Bayport Management Limited, reg. no. 54787/C1/GBL, c/o DTOS Ltd, 10th Floor, Raffles Tower, 19 CyberCity, Ebene, Mauritius;
“Compliance Certificate”	means a certificate, signed by two (2) duly authorized signatories of the Company, certifying that, to its knowledge, no event which would entitle the Agent to accelerate the Bonds under Section 12.1 is outstanding or, if it is aware that such an event is outstanding, specifying the steps, if any, taken by the Company to remedy it;
“CSD”	means the Company’s central securities depository and registrar in respect of the Bonds from time to time, initially Euroclear;
“Early Redemption Date”	means any Banking Day after 12 June 2015, or such later date on which the Company’s maximum SEK 700,000,000 13% Bonds 2010/2015 (ISIN SE0003617216) are redeemed, but before the Final Redemption Date;
“Early Redemption Amount”	means 104.00 per cent. of the Nominal Amount if the Early Redemption date occurs during the period 13 June 2015 – 12 June 2016 and 102.00 per cent. of the Nominal Amount if the Early Redemption Date occurs during the period 13 June 2016 – 11 June 2017;
“Employee Scheme”	means any share related employment incentive scheme or management incentive scheme if the aggregate amount outstanding under such schemes (including the employment or management incentive scheme in question) does not exceed five (5) per cent. of the outstanding share capital of the Company;
“Euroclear”	means Euroclear Sweden AB, reg. no. 556112-8074, P.O. Box 191, 101 23 Stockholm, Sweden; the initial CSD of the Company;

“Event of Default”	means any event which entitles the Agent to terminate the Bonds in accordance with Section 12;
“Final Redemption Date”	means 12 June 2017;
“Founder I Ownership Event”	means the occurrence of an event whereby Grant Kurland, date of birth 5 March 1971, passport no. 481702114, E27, Luneva, Anahita World Class Sanctuary, Beau Champ, Mauritius, ceases to hold, directly or indirectly, more than 1,712 shares (taking into account such adjustments to be made due to any changes in the number of shares by a decision on the issuance of bonus shares (Sw. <i>fondemission</i> and U.S. <i>stock dividend</i>) or a decision of split or reversed split of shares) in the Company;
“Founder II Ownership Event”	means the occurrence of an event whereby Stuart Stone, date of birth 11 February 1969, passport no. 6902115260086, 10 Aintree Close, Inanda Sandton, Johannesburg 2196, South Africa, ceases to hold, directly or indirectly, more than 1,713 shares (taking into account such adjustments to be made due to any changes in the number of shares by a decision on the issuance of bonus shares (Sw. <i>fondemission</i> and U.S. <i>stock dividend</i>) or a decision of split or reversed split of shares) in the Company;
“Funds From Operations”	means the profit before tax of the Company on a consolidated basis from continuing operations less paid tax, plus depreciation, amortization, hedge costs, other noncash items and Interest Expense as stated in the latest Report and relating to the preceding twelve (12) months from that Report;
“Group Company”	means the Company and each of its Subsidiaries, and “Group” means the Company and all of its Subsidiaries from time to time;
“Guarantees”	means any guarantee provided by the Company in relation to a newly founded or

	acquired Subsidiary during a period of 36 months from the date when such Subsidiary was founded or acquired and provided that the aggregate amount of any and all such guarantees in relation to all Subsidiaries does not exceed an amount equal to ten (10) per cent. of the Total Loan Book at any time;
“Holder”	means a person registered on a Securities Account as holder or otherwise entitled to receive payment in respect of a Bond;
“Interest Expense”	means the interest expense of the Company on a consolidated basis (<i>i.e.</i> including Subsidiary interest expenses) as stated in the relevant latest financial report (including, for the avoidance of doubt, a Special Financial Report);
“Interest Payment Date”	means 12 June 2013, 12 June 2014, 12 June 2015, 12 June 2016 and 12 June 2017 (the first time on 12 June 2013 and the last time on the Final Redemption Date);
“Interest Rate”	means 13 per cent. per annum;
“Issue Date”	means 12 June 2012;
“Issuing Agent”	means the Company’s issuing agent from time to time; initially ABG Sundal Collier Norge ASA, reg. no. 883 603 362, Munkedamsveien 45, 0250 Oslo, Norway;
“Kinnevik Ownership Event”	means the occurrence of an event whereby Investment AB Kinnevik, reg. no. 556047-9742, P.O. Box 2094, 103 13 Stockholm, including its subsidiaries under Chapter 1 Section 11 of the Swedish Companies Act (Sw. <i>Aktiebolagslagen (2005:551)</i>) (or in such other provision as may replace this provision), ceases to hold, directly or indirectly, more than 3,000 shares (taking into account such adjustments to be made due to any changes in the number of shares by a decision on the issuance of bonus shares (Sw. <i>fondemission</i> and U.S. <i>stock dividend</i>) or a

	decision of split or reversed split of shares) in the Company;
“Loan Book”	means the aggregate net advances (<i>i.e.</i> book value of lending to customers) of the relevant Subsidiary as stated in the latest Report;
“Market Loan”	means any loan or other indebtedness where an entity issues commercial papers, certificates, subordinated debentures, bonds or any other securities in relation to the loan or other indebtedness (including, for the avoidance of doubt, medium term note programmes and other market funding programmes), if such securities are or can be subject to trade on OMX or any other regulated or unregulated recognized market place;
“Material Group Company”	means the Company or a Subsidiary representing more than ten (10) per cent. of the total assets of the Company on a consolidated basis according to the latest Report;
“Net Interest-Bearing Debt”	means the aggregate interest-bearing debt less cash and cash equivalents of the respective Subsidiary as stated in the latest Report (excluding interest-bearing debt borrowed from any Group Company);
“Nominal Amount”	means has the meaning set forth in Section 2.1;
“OMX”	means Nasdaq OMX Stockholm AB, reg. no. 556383-9058, 105 78 Stockholm;
“Permitted Payment”	means a Restricted Payment if (i) no Event of Default has occurred or would result therefrom, and (ii) (a) the payment is made in relation to the establishment of an Employee Scheme, or (b) the payment is made after 31 March 2016 and the aggregate amount of all Restricted Payments of the Group in any fiscal year (including the Restricted Payment in question) does not exceed 50 per cent. of

	the Group's consolidated net profit for the previous fiscal year;
“Quarterly Reports”	means quarterly reports prepared consistently with the same accounting principles as the Company applies when it prepares its annual financial reports;
“Record Date”	means the fifth Banking Day prior to a payment date or, if at the relevant time another Banking Day is generally applied in the Swedish bond market as record date for such payment, such other Banking Day;
“Redemption Date”	means the Final Redemption Date or such earlier date that may be the case pursuant to the provisions in Section 9 (Early redemption by request of the Company) and 12 (Acceleration of the Bonds);
“Relevant Action”	has the meaning set forth in Section 13.1 (d);
“Report”	means a report setting out the calculations related to (and the compliance with) the special undertakings under Section 11.1;
“Securities Account”	means a securities account (Sw. <i>vp-konto</i>) according to the Swedish Financial Instruments Accounts Act in which each Holder's holding of Bonds is registered;
“SEK”	means the lawful currency for the time being in the Kingdom of Sweden;
“Special Financial Report”	means an unaudited financial report prepared consistently with the same accounting principles as the Company applies when it prepares its annual financial reports and Quarterly Reports;
“Subsidiaries”	means a subsidiary under Part I Section 3 of the Mauritian Companies Act (2001) (or under such other provision as may replace this provision);
“Total Loan Book”	means the total net advances (<i>i.e.</i> book value of lending to customers) of the Company on a consolidated basis as stated in the latest relevant financial report (including, for the

avoidance of doubt, a Special Financial Report);

“**Total Net Senior Debt**” means the total debt of the Company with a higher priority than the Bonds or an equal priority to the Bonds, less cash and cash equivalents, calculated on a consolidated basis (*i.e.* including Subsidiary debt), as stated in the latest Report;

“**USD**” means the lawful currency for the time being in the United States of America; and

“**Voting List**” has the meaning set forth in Section 14.

2 The amount of the Bonds and undertaking to make payments

- 2.1 The aggregate amount of the bond loan will be an amount of up to SEK seven hundred million (700,000,000) and will be represented by Bonds, each of a nominal amount of SEK one million (1,000,000) or full multiples thereof (the “**Nominal Amount**”). The ISIN code for the Bonds is SE0004649713.
- 2.2 The minimum permissible nominal amount investment in connection with the issuance of the Bonds is SEK one million (1,000,000).
- 2.3 The Company undertakes to repay the Bonds, to pay interest and to otherwise act in accordance and comply with these Terms and Conditions.
- 2.4 The Company may choose not to issue the full amount of Bonds at the Issue Date and may in such case choose to issue the remaining amount of Bonds at one or more subsequent dates.
- 2.5 The purpose of the bond loan is general corporate purposes and refinancing of existing debt.

3 Status

The Bonds constitute direct, unconditional, unsecured and unsubordinated obligations of the Company and shall at all times rank *pari passu* without any preference among them.

4 The Bonds and transferability

- 4.1 Each Holder is bound by these Terms and Conditions without there being any further actions required to be taken or formalities to be complied with.
- 4.2 The Bonds are freely transferable. All Bond transfers are subject to the terms of these Terms and Conditions and these Terms and Conditions are automatically applicable in relation to all Bond transferees upon completed transfer.

- 4.3 Holders may be subject to purchase or transfer restrictions with regard to the Bonds, as applicable from time to time under local laws to which a Holder may be subject (due *e.g.* to its nationality, its residency, its registered address or its place(s) for doing business). Each Holder must ensure compliance with local laws and regulations applicable at own cost and expense.
- 4.4 The Bonds have not been registered under the US Securities Act and the Company is under no obligation to arrange for registration of the Bonds under the US Securities Act or under any other law or regulation.

5 Interest

The Bonds will bear interest at the Interest Rate applied to the Nominal Amount from, but excluding, the Issue Date up to, and including, the Redemption Date. The interest will be paid in arrears on each Interest Payment Date and shall be calculated on a 30/360-days basis.

6 Bonds in electronic book-entry form

- 6.1 The Bonds will be issued in accordance with the Financial Instruments Accounts Act in electronic book-entry form and will be registered on behalf of the Holders on a Securities Account. No physical notes will be issued. Registration requests relating to the Bonds shall be directed to an Account Operator. Those who, according to assignment, pledge, the provisions of the Swedish Children and Parents Code (Sw. *Föräldrabalken 1949:381*), conditions of will or deed of gift or otherwise have acquired a right to receive payments in respect of a Bond shall register their entitlement to receive payment in accordance with the Swedish Financial Instruments Accounts Act.
- 6.2 The Company shall be entitled to obtain information from the register kept by the CSD in respect of the Bonds (Sw. *skuldbok*). At the request of the Agent or the Issuing Agent, the Company shall request and provide such information to the Agent or the Issuing Agent or provide the Agent or the Issuing Agent with a power of attorney to obtain the relevant information.

7 Redemption of the Bonds and payments

7.1 Redemption at maturity

The Company shall redeem all outstanding Bonds at the Nominal Amount on the Final Redemption Date. Payment of the Nominal Amount and interest will be made to the person who is a Holder on the Record Date.

7.2 Payments of principal and interest

If a Holder has registered, through an Account Operator, that capital and interest shall be paid to a designated bank account, such payment will be effected by the CSD on the relevant payment date. In other cases, payments will be transferred by

the CSD to the Holder at the address registered with the CSD on the Record Date. If a day on which an amount becomes due and payable is not a Banking Day the amount will be deposited or transferred the next following Banking Day. However, interest only accrues up to and including the relevant due date.

Should the CSD, due to a delay on behalf of the Company or some other obstacle, not be able to effect the payment of amounts according to the aforesaid, the CSD will pay such amount to the Holders as soon as possible after such obstacle has been removed. Payment will be made to the person registered as Holder on the Record Date immediately preceding the actual payment date.

If a person to whom payment has been made in accordance with the above was not entitled to receive such payment, the Company and the CSD shall nevertheless be deemed to have fulfilled their obligations, provided that the Company and/or the CSD did not have knowledge that such payment was made to a person not entitled to receive such amount and provided that the Company and/or the CSD acted with normal care.

8 Default interest

- 8.1 If the Company fails to pay any amount due under these Terms and Conditions, the Company shall pay default interest on such amount at a rate corresponding to the Interest Rate plus five (5) per cent., from, but excluding, the date such payment was due up to and including the date of actual payment. Accrued default interest shall not be capitalized.
- 8.2 If the delay is due to an existence of an obstacle for the Company, the Agent, the CSD or the Issuing Agent respectively, as set out in Section 21.1, the default interest shall not exceed the relevant Interest Rate.

9 Early redemption by request of the Company

- 9.1 All Bonds, but not only some, can be redeemed early at the option of the Company on any Early Redemption Date. The Company can exercise its option by giving the Holders not less than thirty (30) days' notice in accordance with Section 19. The notice shall be irrevocable and state the Early Redemption Date and the relevant Record Date.
- 9.2 The Bonds shall be redeemed at the Early Redemption Amount together with accrued interest in accordance with Section 5 from, but excluding, the preceding Interest Payment Date up to and including the relevant Early Redemption Date.

10 The Company's and the other Group Companies' purchase of Bonds

- 10.1 The Company and any of the other Group Companies may at any time purchase Bonds on the market or in any other way. The Bonds held by the Company or any of the other Group Companies, or surrendered by any of the other Group

Companies, to the Company may at the Company's or any of the other Group Companies' discretion, as applicable, be retained or sold or, if held by the Company, be cancelled.

- 10.2 Bonds held by the Company and by any of the other Group Companies will cease to carry the right to attend and vote at the Holder's meetings and will not be taken into account, *inter alia*, for the purposes of Section 13.

11 Special undertakings

- 11.1 So long as any Bonds remain outstanding, the Company undertakes:

- (a) not to for any year (i) pay any dividend on shares, (ii) repurchase any of its own shares, (iii) redeem its share capital or other restricted equity with repayment to shareholders, or (iv) make any other similar distribution to the shareholders of the Company ((i), (ii), (iii) and (iv) are together and individually referred to as a "**Restricted Payment**"), provided however that the Company has a right to make any Restricted Payment which is a Permitted Payment;
- (b) to ensure that the ratio of Total Net Senior Debt to Total Loan Book is not greater than eighty (80) per cent.;
- (c) to ensure that the ratio of Funds From Operations to Interest Expense is not less than one hundred and sixty (160) per cent.;
- (d) to ensure that the Bonds are listed at the corporate bond list on OMX not later than sixty (60) calendar days after Issue Date (whereas the intention of the Company is to list the Bonds at the corporate bond list on OMX within thirty (30) calendar days after Issue Date) and to take all measures required to ensure that the Bonds continue being listed on OMX for as long as any Bonds are outstanding (however, taking into account the rules and regulations of OMX and the CSD (as amended from time to time) preventing trading in the Bonds in close connection to the redemption of the Bonds);
- (e) to procure that no substantial change is made to the general nature of the business carried on by the Group Companies;
- (f) not to provide or permit to subsist any security or permit someone else to provide or permit to subsist any security in the form of a contingent liability or otherwise to secure any present or future Market Loan or any other loan or indebtedness of the Company;
- (g) not to provide, prolong or renew any guarantee or security over any of the Company's assets (present or future) to secure any present or future Market Loan or any other loan or indebtedness taken up by any other person than the Company (including the other Group Companies),

provided however that the Company has a right to provide, prolong and renew any Guarantees;

- (h) to ensure that the ratio of Net Interest-Bearing Debt to Loan Book is not greater than fifty (50) per cent. in the Company's Subsidiaries calculated on an aggregated basis and that the ratio of Net Interest-Bearing Debt to Loan Book is not greater than seventy (70) per cent. in any single Subsidiary;
- (i) to ensure that the Company's Subsidiaries do not provide, prolong or renew any guarantee or security over any of their assets (present or future) to secure any present or future Market Loan or any other loan or indebtedness taken up by any other person than the respective Subsidiary (including the other Group Companies);
- (j) to prepare and publish Quarterly Reports not later than two (2) months after the end of the relevant quarter. When the Bonds are listed, the Quarterly Report shall be published in accordance with the applicable rules and regulations of OMX (as amended from time to time) and the Swedish Securities Market Act (*Sw. lag (2007:528) om värdepappersmarknaden*);
- (k) to prepare a Special Financial Report not later than twenty (20) days from the request of the Agent and as per the historic date that the Agent has stated in its request; and
- (l) to provide a Compliance Certificate and a Report to the Agent at the same time as the Quarterly Reports are published or within twenty (20) days from the request of the Agent.

11.2 The Agent is entitled to, on behalf of the Holders, waive, partly or in full, the provisions in Section 11.1 if satisfactory collateral or other security arrangements, in the Agent's absolute discretion, are provided in respect of the Company's proper discharge of its obligations under the Bonds.

12 Acceleration of the Bonds

12.1 The Agent is entitled, on behalf of the Holders, to terminate the Bonds and to declare all but not only some of the Bonds due for payment immediately or at such later date as the Agent determines (such later date not being a date falling later than twenty (20) Banking Days from the date on which the Agent made such declaration), if:

- (a) the Company fails to pay an amount on the date it is due in accordance with these Terms and Conditions unless its failure to pay is due to an existence of an obstacle for the Company as set out in Section 21.1 or payment is made within five (5) Banking Days of the due date;

- (b) the Company does not comply with these Terms and Conditions in any other way than as set out in Section 12.1 (a), provided that the Agent has requested the Company in writing to remedy such failure and the Company has not remedied such failure within twenty five (25) Banking Days from such request (if in the opinion of the Agent, the failure or violation is not capable of being remedied, the Agent may declare the Bonds payable without such prior direction);
- (c) any Group Company does not pay on the due date any amount payable pursuant to any loan and/or any other financial indebtedness, exceeding USD three million (3,000,000), taken up by that Group Company, if the total loan is declared, or could have been declared, due and payable prior to its specified maturity as a result of the defaulted payment, or, if the agreement does not contain a termination clause or if the defaulted payment would have been the final payment, if payment is not made within fifteen (15) days after receiving a written, justified, demand from the creditor, but always provided that the creditor has not waived its right of payment, or an event of default howsoever described (or any event which with the giving of notice, lapse of time, determination of materiality or fulfilment of any other applicable condition or any combination of the foregoing would constitute such an event of default) occurs under any loan and/or any other financial indebtedness of the Company, exceeding USD three million (3,000,000);
- (d) any Group Company, within thirty (30) days after receiving a written, justified, demand, does not fulfil its obligations according to any personal security (Sw. *borgen*) or guarantee provided as security for any other persons loan or if it does not fulfil its commitment to remunerate someone for what that person has paid pursuant to a personal security or guarantee, provided that such obligation or commitment exceeds USD three million (3,000,000) and the creditor has not waived its right of payment;
- (e) a Change of Control Event occurs;
- (f) a Kinnevik Ownership Event occurs;
- (g) a Founder I Ownership Event occurs;
- (h) a Founder II Ownership Event occurs;
- (i) any Group Company suspends its payments on any of its debts;
- (j) any Group Company is declared bankrupt;
- (k) any Material Group Company takes any corporate action or if other steps are taken or legal proceedings are started (other than proceedings which are being disputed in good faith by appropriate legal proceedings and are withdrawn or struck out or dismissed within thirty (30) days) by any person for such Material Group Company's winding-up, dissolution,

administration or re-organisation or for the appointment of a liquidator, provisional liquidator, receiver, administrator, administrative receiver, trustee or similar officer of it or of any or all of its revenues and assets or any execution or diligence is levied against all or a material (as determined by the Agent in its reasonable discretion) part of its revenues and assets; or

- (l) a decision is made that any Material Group Company shall be merged and/or demerged into a company which is not a Group Company, unless the Agent has given its consent (not to be unreasonably withheld or delayed) in writing prior to the merger and/or demerger (where consent is not to be understood as a waiver of the rights that applicable law at the time assigns the concerned creditors). Such consent shall only be given if an accountant, engaged in accordance with Section 16.2, has assured that the merger or demerger, as applicable, will not adversely affect the Holders' interest.
- 12.2 If the Bonds are declared due and payable, the Company shall redeem the Bonds at a redemption amount equal to the Bonds' Nominal Amount plus the accrued interest, if any, pursuant to Section 5 (Interest) from, but excluding, the preceding Interest Payment Date (or, if such date has not occurred, the Issue Date), up to and including the payment date.
- 12.3 Termination for payment prematurely on the grounds mentioned in Sections 12.1 (b), (c) or (d) or, regarding any of the Companies Subsidiaries, on the grounds mentioned in Sections 12.1 (i), (j), (k) and (l) may however only occur if the nature of the particular circumstance is such that it could adversely and materially affect the Holders' interests and that the cause of termination is continuing at the time of the Agent's declaration.
- 12.4 Termination for payment prematurely on the ground mentioned in 12.1 (e), (f), (g) and (h) may however only occur if the Holders have decided to terminate the Bonds in accordance with the provisions in Section 13.
- 12.5 If the right to termination is based upon a decision of a court of law, a government authority or an annual general meeting, it is not necessary that the decision has acquired legal force or that the period of appeal has expired in order for cause of termination to be deemed to exist.
- 12.6 The Company is obliged to inform the Agent immediately if any circumstance of the type specified in Section 12.1 should occur. Should the Agent not receive such information, the Agent is entitled to assume that no such circumstance exists or can be expected to occur provided that the Agent does not have knowledge of such circumstance. At the request of the Agent the Company shall within five (5) Banking Days provide the Agent with a certificate regarding the circumstances dealt with in Section 12.1. The Company shall further provide the Agent with such details as the Agent may request regarding any circumstances referred to in Section

12.1 and provide at the request of the Agent all documents that may be of significance in the application of this Section 12.

12.7 The Company is only obliged to inform the Agent according to Section 12.6 if informing the Agent would not conflict with any statute or, when the Bonds are listed, the Company's registration contract with OMX.

12.8 If the Agent has been notified by the Company or has otherwise determined that there is a default under these Terms and Conditions according to Section 12.1, the Agent shall decide, within ten (10) Banking Days of the day of notification or determination, if the Bonds shall be declared terminated. If the Agent has decided not to terminate the Bonds or if ground for termination according to Section 12.1 (e) - (h) is at hand, the Agent shall, at the earliest possible date, notify the Holders that right to termination is at hand and obtain judgement on the matter from the Holders according to the provisions in Section 13. If the Holders decide for termination to occur, the Agent shall promptly declare the Bonds terminated. If the cause for termination according to the Agent's appraisal has ceased before the termination, the Agent shall not be obliged to terminate the Bonds. The Agent shall in such case, at the earliest possible date, notify the Holders that the cause for termination has ceased. If the Holders, without prior initiative to decision from the Agent or the Company, have made a decision regarding termination in accordance with Section 13, the Agent shall promptly declare the Bonds terminated. The Agent is however not liable to take action if the Agent considers cause for termination not to be at hand, unless the instructing Holders in writing commit to holding the Agent indemnified and, at the Agent's own discretion, grant sufficient security for the obligation.

12.9 For the avoidance of doubt, the Bonds cannot be terminated and become due for payment prematurely according to this Section 12 without relevant decision by the Agent or by the Holders' meeting pursuant to Section 13.

13 The Agent's right to represent the Holders, the authority of the Agent etc.

13.1 The Agent's right to represent the Holders

(a) Even without a separate authorisation from the Holders and without having to obtain any Holders' consent (if not required to do so under these Terms and Conditions), the Agent, or a person appointed by the Agent, is entitled to represent the Holders in every matter concerning the Bonds and these Terms and Conditions and is authorised to act on behalf of the Holders whether or not in court or before an executive authority (including any legal or arbitration proceeding relating to the perfection, preservation, protection or enforcement of the Bonds).

(b) Each Holder shall immediately upon request by the Agent provide the Agent with any such documents, including a written power of attorney (in form and substance to the Agent's satisfaction), which the Agent deems

necessary for the purpose of carrying out its duties under these Terms and Conditions. The Agent is under no obligation to represent a Holder which does not comply with such request of the Agent.

- (c) Other than to the extent expressly provided for under these Terms and Conditions, no Holder may take any actions whatsoever on its own against the Company in matters relating to the Bonds and these Terms and Conditions. Further, no Holder may take any legal steps whatsoever to recover any amount due or owing to it pursuant to these Terms and Conditions, or file an application for, or otherwise take any legal steps in respect of, the winding-up, bankruptcy, or liquidation of the Company or the making of an administration order in relation to the Company or the service of a notice of intention to appoint an administrator in relation to the Company in respect of any of the liabilities of the Company whatsoever under these Terms and Conditions, other than to the extent expressly permitted under these Terms and Conditions.
- (d) Notwithstanding Section 13.1 (c) above and without having to observe the provisions in Section 12.9 and 13.1, the Holders may jointly (i) take actions to enforce their rights under these Terms and Conditions against the Company if the Agent does not have legal right (*Sw. talarätt*) to bring an action or initiate a procedure under or in connection with these Terms and Conditions before any courts or other authorities and if the Agent has not been granted a power of attorney to do so, (ii) take any actions which the Agent has refrained from taking if the Agent has been instructed in accordance with these Terms and Conditions to take such actions and the Agent has refrained from taking the actions within a reasonable time in breach of these Terms and Conditions, and (iii) represent their own holdings of Bonds against the Company if the Agent has notified the Holders that it will not take further actions in accordance with Section 13.4 ((i), (ii) and (iii) are together and individually referred to as a “**Relevant Action**”). However, any Relevant Action may only be taken after a Holders’ meeting has decided to take such action. The Holders’ meeting shall be convened in accordance with these Terms and Conditions. However, a Holders’ meeting pursuant to this Section can be convened by the Agent (or by a Holder in accordance with Section 14 (k)) irrespective of whether the requesting Holders represents ten (10) per cent. of the total outstanding Nominal Amount or not. Further, a resolution at a Holders’ meeting in accordance with this Section may be passed with simple majority.

13.2 The role and authority of the Agent

- (a) The Agent shall monitor the compliance by the Company of its obligations under these Terms and Conditions. The Agent shall further arrange any Holders’ meetings that shall be held in accordance with Section 14 and

implement any decisions which have been taken on such meetings or otherwise under these Terms and Conditions. The Agent is not obligated to assess the Company's financial situation beyond what is directly set forth in these Terms and Conditions. The Agent shall carry out its duties under these Terms and Conditions in a reasonable, proficient and professional manner and with reasonable care and skill.

- (b) In performing its obligations, the Agent has a right to take any steps that it, in its sole discretion, deems necessary or appropriate to ensure and preserve the rights of the Holders under these Terms and Conditions, but does not have a right to adopt resolutions which give certain Holders, or any other persons, an unreasonable advantage at the expense of another Holder or Holders. The Agent may, in its sole discretion, postpone taking any action until the matter has been decided upon at a Holders' meeting.
- (c) The Agent may act as agent for several bond issues relating to the Company notwithstanding potential conflicts of interest. The Agent may delegate exercise of its powers to other professional parties.
- (d) For the avoidance of any doubt, the Agent is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation or a breach of a fiduciary duty or duty of confidentiality. Further, the obligations of the Agent does not limit the Agent's right to discuss matters with the Company that are confidential in nature and which are not made public to the Holders.
- (e) The Agent may engage, pay for and rely upon the advice or services of any lawyers, accountants or other experts where such advice or services are reasonably required to fulfil its obligations under these Terms and Conditions. The costs for such third party advice shall be borne by the Company. The Agent is however obliged to always inform the Company prior to engaging any third party experts.

13.3 Replacement of Agent and Issuing Agent

- (a) The Agent and the Issuing Agent can be replaced by another Agent and/or Issuing Agent by the Holders in accordance with the procedures set out in Section 14.
- (b) The Agent may resign as agent and/or transfer its position as agent at any time, provided that no resignation by the Agent shall take effect until a new Agent has been appointed by the Company. If the Company has not appointed a new Agent within thirty (30) days after the Agent has given the Company notice of its resignation, the Agent has the right to appoint a new Agent. Until the resigning Agent has been replaced by a new Agent, the resigning Agent shall perform all its obligations under these Terms and Conditions. When a new Agent has been appointed, the resigning Agent

shall bear no responsibility for acts or omissions during the time after the replacement of the Agent but shall continue to enjoy the rights under these Terms and Conditions. The Agent's successor, the Company, the Issuing Agent and the Holders shall have the same rights and obligations among themselves as they would have had if such successor would have been the original Agent.

- (c) The Issuing Agent may resign as issuing agent and/or transfer its position as issuing agent at any time, provided that no resignation by the Issuing Agent shall take effect until a new Issuing Agent has been appointed by the Company. If the Company has not appointed a new Issuing Agent within thirty (30) days after the Issuing Agent has given the Company notice of its resignation, the Issuing Agent has the right to appoint a new Issuing Agent. Until the resigning Issuing Agent has been replaced by the new Issuing Agent, the resigning Issuing Agent shall perform all its obligations under these Terms and Conditions. When a new Issuing Agent has been appointed, the resigning Issuing Agent shall bear no responsibility for acts or omissions during the time after the replacement of the Issuing Agent but shall continue to enjoy the rights under these Terms and Conditions. The Issuing Agent's successor, the Company, the Agent and the Holders shall have the same rights and obligations among themselves as they would have had if such successor would have been the original Issuing Agent.
- (d) If the Agent or the Issuing Agent is subject to bankruptcy or financial reconstruction according to law or regulations from a supervising authority, the Company shall immediately appoint a new Agent or Issuing Agent which immediately shall replace the present Agent or Issuing Agent as Agent or Issuing Agent in accordance with these Terms and Conditions.
- (e) The Company may also appoint a new Agent or Issuing Agent which immediately shall replace the present Agent or Issuing Agent, if the Agent or Issuing Agent has, in a material way, failed to fulfil its obligations under these Terms and Conditions and does not, within a reasonable time, remedy such failure after the Company has made the Agent or the Issuing Agent aware thereof. If a new Agent is appointed, the Company may recover all costs, remuneration, fees and expenses payable by the Company in relation to the new Agent under Sections 13.4 and 15 from the replaced Agent, provided that such costs, remuneration, fees and expenses exceed the costs, remuneration, fees and expenses that would have been payable if the Agent had not been replaced.
- (f) If the Agent or the Issuing Agent have resigned or been replaced in accordance with Sections 13.3 (a) - (e), the Agent and the Issuing Agent shall deliver all documents and provide all information to the new Agent

or Issuing Agent that are necessary for them to perform their obligations under these Terms and Conditions.

13.4 Remuneration for the Agent

The Agent is, according to a separate agreement between the Company and the Agent, entitled to receive remuneration from the Company for acting as Agent in accordance with these Terms and Conditions. If the Agent, based on good reasons, believes that the Company is or will become insolvent the Agent is entitled to reserve reasonable remuneration from the Holders for its continued work in accordance with these Terms and Conditions, save that the Agent shall make the arrangements stated in Sections 12.8 without having received remuneration or being indemnified by the Holders.

14 Holders' meeting and procedure in writing

- (a) Each of the Company, the Agent and Holders representing at least ten (10) per cent. of the total outstanding Nominal Amount, may request that a Holders' meeting is convened or request a procedure in writing among the Holders. Such request shall be made in writing, and notified in accordance with Section 19, to the Company and the Agent including (i) information regarding the issues that shall be decided and, where applicable, (ii) documentation of the holding of Bonds of the requesting Holders. The request shall clearly state that the matter is urgent. If the Agent establishes that a request for a Holders' meeting or procedure in writing has been made in due order the Agent shall, within twenty (20) Banking Days from receipt of such request, convene a meeting or initiate a procedure in writing. The Agent must not convene a Holders' meeting or initiate a procedure if the Agent determines that (i) the proposal must be approved by the Company and the Company informs the Agent that it will not give such approval, (ii) the proposal is not in accordance with applicable laws, or (iii) it appears highly unlikely that the Holders' meeting or procedure in writing will decide in accordance with the proposal in view of previous Holders' meetings or procedures in writing.
- (b) Notice shall be given by the Agent to the Holders or, as the case may be, the Company in accordance with Section 19 below not later than ten (10) Banking Days and not earlier than thirty (30) Banking Days prior to the Holders' meeting or the last day for replies in the procedure in writing. The notice shall include (i) time for the Holders' meeting or the last day for replies in the procedure in writing, (ii) place for the Holders' meeting or the address for replies, (iii) the agenda for the Holders' meeting, (iv) information regarding which day a Holder shall be registered as owner to be entitled to vote, and (v) what is otherwise required by a Holder in order to attend the Holders' meeting. Further, the notice shall include information on the matters that shall be discussed and resolved upon by

the Holders' meeting and the main content of each proposal (if any). The Agent shall determine the contents in the notice and provide, in writing or electronically, a proxy form or, in case of a procedure in writing, a decision form with the relevant alternatives for resolution. When the Bonds have been listed, the notice shall also be sent to OMX for publication.

- (c) Only Holders registered as Holders on the fifth Banking Day prior to the Holders' meeting (or the procedure in writing) are entitled to vote at the Holders' meeting (or procedure in writing). The Agent shall ensure that there is an excerpt from the register kept by the CSD available at the Holders' meeting (or the procedure in writing) showing the registered Holders on the fifth Banking Day prior to the Holders' meeting (or the procedure in writing).
- (d) Only matters that have been included in the notice sent out according to Section 14 (b) may be resolved upon by the Holders' meeting. A resolution is passed through voting at a Holders' meeting (or, in case of a procedure in writing, through calculation by the Agent of the replies), at which each Holder entitled to vote shall have one vote per Bond at a Nominal Amount of SEK one million (1,000,000) held. A Holder must vote in the same manner for all Bonds held. However, a representative who represents different Holders may vote differently for different Holders. Bonds held by any Group Company shall not entitle any voting right. The resolution of the Holders shall be the opinion which represents the majority of the Nominal Amount for the Bonds represented at the meeting (or, in case of a procedure in writing, received answers at the end of the time for replies). In respect of the below issues the following qualified majority is required among the votes casted and the answers received in order to deem a resolution passed ("**Qualified Majority**"):
 - (i) two thirds (2/3) when (1) one of the situations from a special undertaking in accordance with Section 11 is waived, and (2) an amendment of a provision in these Terms and Conditions is made, subject to (ii) below; and
 - (ii) three quarters (3/4) when (1) principal amount, interest rate or interest amount which shall be paid by the Company is reduced, (2) amendment of any redemption day for principal or interest amount, and (3) amendment of the provisions in this Section 14 (d).

If the number of votes are equal the opinion which is most beneficial for the Company, according to the chairman of the meeting (or, in case of a procedure in writing, the Agent), will prevail.

- (e) Quorum exists only if Holders representing at least one fifth (1/5) of the aggregate outstanding Nominal Amount attend the meeting in due order (or, in case of a procedure in writing, provide replies). Bonds held by any Group Company shall not be considered when calculating if necessary majority has been achieved. If quorum is not achieved within fifteen (15) minutes from the fixed time (or, in case of a procedure in writing, through received answers at the end of the time for replies), the meeting shall be adjourned (or, in case of a procedure in writing, the time for replies shall be extended) to the tenth Banking Day thereafter. Notice containing information regarding time and place for a continued meeting (or, in case of a procedure in writing, information regarding extended time for replies) shall promptly be provided to the Holders in accordance with Section 19. At a continued meeting (or, in case of a procedure in writing, at a new calculation) a resolution can be passed through an ordinary resolution (or, if required in accordance with (c) above, through Qualified Majority) by Holders entitled to vote irrespective of the share of Bonds represented.
- (f) At the meeting, the Company, the Holders (or the Holders' representatives/proxies) and the Agent may attend along with its representatives, counsels and assistants. Further, the directors of the boards, the managing directors and other officials of the Company and the Company's auditors may attend the meeting. The meeting may decide that further individuals may attend. If a representative/proxy shall attend the Holders' meeting instead of the Holder, the representative/proxy shall present a duly executed proxy or other document establishing its authority to represent the Holder.
- (g) The meeting shall be opened by a present person appointed by the Company (or, if such person does not exist, a present person appointed by the Agent) and the meeting shall be chaired by that person until a chairman of the meeting has been elected by the meeting. The chairman shall prepare a list of the Holders and representatives/proxies present and entitled to vote (the "**Voting List**"). The list shall include information on the Nominal Amount that each Holder (or, as the case may be, representatives/proxies) represents. The chairman shall further arrange for minutes to be kept at the meeting. The minutes shall include the Voting List (which shall be approved by the Holders' meeting), any other persons that have been attending, what has been discussed, the result of the voting and the resolutions that were passed. The minutes shall be signed by the chairman and by at least one person appointed by the meeting to verify the minutes. In case of a procedure in writing, the Agent shall provide for the calculation of votes and keep minutes in respect of the calculation of votes and the resolutions passed by the procedure in writing. The Agent may request for complements and clarifications but is not obliged to do so and may disregard any unclear or illegible votes. The Agent shall disregard any

answers that do not follow listed alternatives or where voting right does not appear in the documentation provided by the Holder or CSD. The Company may be represented at the calculation. The minutes shall be completed promptly and be held available for the Holders at the Company and the Agent.

- (h) If the Company and the Agent deem it appropriate, a Holders' meeting may be combined with a possibility for Holders to provide answers in accordance with a written resolution form as an alternative to being present or being represented at the Holders' meeting.
- (i) If a procedure in writing is held among the Holders, the Holders can provide answers and vote electronically by sending an email to the Agent at the address notified by the Agent in the notice which shall be sent to the Holders according to Section 14 (b). For the avoidance of doubt, electronic answers that do not follow listed alternatives (in a decision form or otherwise) will be disregarded in accordance with Section 14 (g).
- (j) A resolution that has been passed at a duly convened and held meeting or a procedure in writing is binding for all Holders irrespective of whether they have been present or represented at the meeting or if they have participated in the procedure in writing and irrespective of how and if they have voted. No Holder shall be liable for any damages caused to any other Holder due to a resolution passed, or due to that no resolution was passed, at the Holders' meeting.
- (k) If the Agent, in breach of these Terms and Conditions, has not convened a Holders' meeting within twenty (20) Banking Days after having received such request, the requesting person may convene the Holders' meeting itself. If the requesting person is a Holder, the Company shall upon request from such Holder provide the Holder with necessary information from the register kept by the CSD and, if no person referred to in Section 14 (g) exist, the meeting shall be opened by a person appointed by the requesting Holder.
- (l) When applying this Section 14, holders of Bonds registered with nominees in accordance with Section 20 shall be considered Holders instead of the authorised nominee if the holder shows a certificate from the authorised nominee (i) certifying that the relevant person was the holder of Bonds on the fifth Banking Day prior to the Holders' meeting (or procedure in writing), and (ii) showing the number of Bonds held by that person on the fifth Banking Day prior to the Holders' meeting (or the procedure in writing). In respect of Bonds registered with authorised nominees, the authorised nominee shall be regarded as present at the Holders' meeting (or the procedure in writing) with the number of Bonds that the nominee represents as Holder according to Section 20 and this Section 14 (l).

- (m) The Company shall bear all costs for the Company and the Agent in connection with a Holders' meeting or a procedure in writing irrespective of who has requested the meeting or the procedure in writing. If these Terms and Conditions have been revised or replaced due to a decision on a Holders' meeting, the Agent, or anyone acting on behalf of the Agent, shall arrange for new or revised Terms and Conditions to be sent to the CSD.

15 Fees and expenses

- 15.1 Unless otherwise stipulated in these Terms and Conditions, the Company shall cover all costs and expenses incurred by it in connection with these Terms and Conditions (including legal costs) and the fulfilment of its obligations under these Terms and Conditions, including the negotiation, preparation, execution and enforcement of these Terms and Conditions and any registration or notifications relating thereto (including any stamp duty) and the listing of the Bonds on OMX.
- 15.2 The fees and expenses payable to the Agent shall be paid by the Company and are set forth in a separate agreement between the Company and the Agent.
- 15.3 Any public fees levied on the trade of Bonds in the secondary market shall be paid by the Holders, unless otherwise provided by law or regulation, and the Company is not responsible for reimbursing any such fees.
- 15.4 Except as provided in Section 15.1, the Company shall pay any stamp duty and other public fees accruing in connection with the issuance of the Bonds and shall deduct at source any applicable withholding tax payable which the Company is obligated to withhold pursuant to law.

16 Amendments of the Terms and Conditions

- 16.1 The Agent may, on account of the Holders, agree with the Company to amend these Terms and Conditions as long as such amendment does not limit the obligation of the Company to pay amounts of principal or interest or in any other way, to the Agents discretion, may materially adversely affect the interests of the Holders or that such amendment is solely made in purpose to rectify obvious errors and mistakes in these Terms and Conditions. Subject to decisions of the Holders in accordance with Section 13, the Agent may also agree with the Company regarding other amendments.
- 16.2 The Agent may also, on account of the Holders, agree with the Company to make necessary amendments to these Terms and Conditions to the extent such amendments are required by applicable law, court rulings or decisions by relevant authorities or, when the Bond are listed on OMX, and as long as such amendments do not materially adversely affect the interests of the Holders, to ensure that they comply with any requirements for listing.

- 16.3 Amendments of these Terms and Conditions shall be notified without delay by the Company in accordance with Section 19, setting out the date from which the amendments will be effective.

17 Time-bar

- 17.1 The right to receive payment of the Nominal Amount shall be time-barred and become void ten (10) years from the relevant Redemption Date. The right to receive payment of interest shall be time-barred and become void three (3) years from the relevant due date for payment. The Company is entitled to any funds set aside for payments in respect of which the Holders right to receive payment have been time-barred and become void.
- 17.2 If such periods for limitation are duly interrupted, in accordance with the Swedish Act on Limitations (Sw. *preskriptionslag (1981:130)*), a new time-bar period of ten (10) years with respect to the Nominal Amount, and of three (3) years with respect to interest payments will commence, in both cases calculated from the date of interruption of the time-bar period as such date is determined pursuant to the provisions of the Swedish Act on Limitations.

18 Allocation of payments

If both the Nominal Amount and interest are due for payment and if the available funds are insufficient to discharge all the amounts due and payable, the available funds shall first be applied towards payment of all fees, costs and expenses, secondly towards payment of interest and thirdly towards payment of the Nominal Amount.

19 Notices

- 19.1 Notices from the Company or the Agent shall be given in English to the Holders at their addresses as registered with the CSD. Notices to the Holders shall be considered to be received by the Holders three (3) Banking Days after they have been dispatched.
- 19.2 Notices from the Holders to the Company or the Agent shall be given in English to the Company or the Agent as the case may be and, if to the Company, with a copy to the Agent, at the addresses set forth in Section 1.

20 Nominee registration

In respect of Bonds registered with authorised nominees in accordance with the Swedish Financial Instruments Accounts Act the authorised nominee shall be deemed to be the Holder for the purpose of applying these Terms and Conditions (subject to the provisions about the voting rights of the Holders in Section 13).

21 Limitation of liability etc.

- 21.1 The Company, the Agent, the CSD and the Issuing Agent shall have no liability for damage caused by Swedish or foreign enactment, action taken by a Swedish or foreign authority, war, strike, blockade, boycott, lockout or other similar circumstance. This limitation of liability in the case of a strike, blockade, boycott or lockout also applies if the Company, the Agent, the CSD or the Issuing Agent would itself initiate or become subject to such conflict.
- 21.2 The Agent, the CSD and the Issuing Agent, or any affiliates to the Agent, the CSD and the Issuing Agent, shall not be liable for damage caused in any other event unless the damage is caused by gross negligence or wilful misconduct. In no event shall the Agent, the CSD and the Issuing Agent, or any affiliates to the Agent, the CSD and the Issuing Agent, be liable for indirect damage.
- 21.3 Should the Company, the Agent, the CSD or the Issuing Agent be prevented from performing their respective obligations due to any of the circumstances mentioned in Section 21.1 above, such performance may be postponed until fulfilment is no longer prevented by such event.
- 21.4 The provisions in this Section 21 apply unless they are inconsistent with the provisions of the Swedish Financial Instruments Accounts Act which provisions shall take precedence.

22 Governing law and jurisdiction

- 22.1 These Terms and Conditions shall be governed by and construed in accordance with the laws of the Kingdom of Sweden.
- 22.2 Any dispute or claim arising in relation to these Terms and Conditions shall, subject to Section 22.3 below, be determined by Swedish courts and the District Court of Stockholm shall be the court of first instance.
- 22.3 The submission to the jurisdiction of the Swedish courts shall not limit the right of the Holders and the Agent to take proceedings against the Company in any court which may otherwise exercise jurisdiction over the Company or any of its assets.
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The Company and its operations

History and development

The Company, Bayport Management Ltd, was incorporated on 10 September 2001 in British Virgin Islands and continued as a Mauritian company with effect from 4 March 2005. The Company was registered as a private company limited by shares on 2 March 2005 under the Mauritian Companies Act 2001 with registration number 54787 C1/GBL. The Company further holds a Category 1 Global Business Licence, issued by the Financial Services Commission of the Republic of Mauritius on 3 March 2005, in accordance with the Mauritian Financial Services Act 2007 and the Financial Services (Consolidated Licensing and Fees) Rules 2008. On 28 July 2011 the Company converted into a public limited liability company. The Company's operations are regulated by the Mauritian Companies Act 2001. The shares of the Company are not subject to trade on any stock market.

The Company's Registered Office is c/o DTOS Ltd, 10th Floor, Raffles Tower, 19 Cyber City, Ebene, Republic of Mauritius. The Company's headquarter is located at Ebene Skies, 3rd Floor, Rue de L'Institut, Ebene, Republic of Mauritius. As of 30 April 2012 the Company had 12 employees, all occupied at the headquarters of the Company. The total number of permanent employees in the Group is 857. In addition the Group employs commissioned agents within the operations. Including these agents, the total number of employees in the Group is 2,315.

In accordance with the constitution of the Company, adopted on 29 June 2011, the objects of the Company are:

- a) to engage in global business as permitted under the Financial Services Act 2007, the Act and any other laws for the time being in force in the Republic of Mauritius;
- b) to borrow money and to mortgage or charge its undertakings and property or any part thereof, to issue debentures, debenture stocks and other securities whenever money is borrowed or as security for any debt, liability or obligation of the Company; and
- c) to do all such other things as are incidental to, or the Company may think conducive to the conduct, promotion or attainment of the objects of the Company.

Share capital, shares and major shareholders

The Company has an authorized share capital of USD 20,000, divided into 20,000 ordinary shares of USD 1 par value with one vote per share and each share having equal rights on distribution of income and capital. As of 5 June 2012, the Company had an issued share capital of USD 16,135, divided into 16,135 shares of USD 1 par value. The shares are denominated in USD.

The following table sets forth the ownership structure in the Company as per the date of this Prospectus.

Shareholder	Bayport Management Ltd.	
	No. of shares	Voting rights and capital ¹
Kinnevik New Ventures AB	5,915	36.7%
Stuart Stone	3,426	21.2%
Grant Kurland	3,833	23.8%
Adobe Group Limited	1,614	10.0%
Elsworthy Holdings Ltd	980	6.1%
Justin Chola	242	1.5%
Etienne Henry Coetzer	125	0.8%
Total	16,135	100%

¹ The figures indicating the voting rights and capital of each shareholder have been rounded off and as a result the numerical figures shown as total may vary slightly from the exact arithmetic aggregation of the figures.

Shareholders' agreements

On 22 July 2010, the at that point in time shareholders of the Company – Earl Trust Company Limited as the trustee of the Curly Trust and the Crowbar Trust respectively, Etienne Henry Coetzer, Adobe Group Limited, Castleberg Investments Corporation, Kinnevik New Ventures AB –and the Company entered into a shareholders' agreement regarding the ownership of Bayport (the “**shareholders' agreement**”). By way of a Deed of waiver and adherence, Elsworthy Holdings Ltd and Justin Chola have agreed to be bound by the provisions of the shareholders' agreement as if they had been original parties to the shareholders' agreement. Also, Stuart Stone and Grant Kurland have committed to comply with the shareholders' agreement.

Except for the above mentioned shareholders' agreement and as far as the Company is aware, no other shareholder agreements or equivalent agreements exist between the present shareholders in the Company for the purpose of creating joint influence over the Company.

Business and operations

The Group started its operations in Zambia in 2002 when introducing a pay-roll-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.

The Company is a holding company of Actvest Limited, Bayport Financial Services Ghana Limited, Bayport Financial Services (T) Limited, Bayport Financial Services Uganda Limited, Bayport Financial Services Limited, Consumer Finance Company Limited, Money Quest Investments (proprietary) Limited,

Bayport Financial Services Namibia (pty) Ltd, Bayport Financial Services Rwanda SARL, Empresa de Microcredito S.A. Fimsa S.A., Libralval S.A.S. (subsidiary of Actvest Limited), Bayport Financial Services Lesotho Ltd and Cashfoundry Limited. 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 incomes and administration fees relating to the loans to their customers. Bayport Financial Services Namibia (pty) Ltd, Bayport Financial Services Lesotho Ltd and Bayport Financial Services Rwanda SARL have not started operations as at the date of this Prospectus.

The Subsidiaries mainly provide loans to people employed by the government in the respective countries. The repayment of the individual loans is carried out through direct deduction from the employees' pay-roll in accordance with agreements concluded between the Subsidiaries and the employees. No other security is provided by the customer under the individual loan agreements and any outstanding amount under the loan agreements may therefore not be recovered if the customer has left his/her employment or is dismissed.

Bayport Financial Services (T) Limited, Bayport Financial Services Uganda Limited, Bayport Financial Services Ghana Limited, Money Quest Investments (proprietary) Limited, Consumer Finance Company Limited, Empresa de Microcredito S.A. Fimsa S.A and Bayport Financial Services Limited also offer credit life insurances, which are underwritten by local insurance companies, to its customers.

Overview of group structure

As described above, the Company is the holding company of ten operational subsidiaries and three subsidiaries which have not started operations as at the date of this Prospectus. Nine of the operational subsidiaries are owned together with local partners and managers and one is wholly owned by the Company. The Company's shareholding in the Subsidiaries is in no case less than 67 per cent. The Company holds no significant assets other than the investments in the operational Group companies and is therefore dependent upon the receipt of income related to the operation of and the ownership in these companies. The following table sets forth the Company's holding in the Subsidiaries:

Company	No. of shares	Voting rights and capital ²	Country
Actvest Ltd	1	100%	Republic of Mauritius
Money Quest Investments (Pty) Limited	950	95.0%	Republic of Botswana
Bayport Financial Services Ghana Limited	10,200,000,000	90.2%	Republic of Ghana
Bayport Financial Services (T) Limited	8,900	89.0%	United Republic of Tanzania
Bayport Financial Services Uganda Limited	425 ordinary shares 10,000 redeemable preference shares	85.0%	Republic of Uganda

Bayport Financial Services Limited	374,999	74.9%	Republic of Zambia
Consumer Finance Company Limited	148	74.0%	Republic of Ghana
Empresa de Microcredito S.A. Fimsa S.A.	841,215	68.0%	Republic of Colombia
Libraval S.A.S. (subsidiary of Actvest Ltd)	205,243	82.9%	Republic of Colombia
Bayport Financial Services Namibia (pty) Ltd	100	100%	Republic of Namibia
Bayport Financial Services Rwanda SARL	2,997	100%	Republic of Rwanda
Bayport Financial Services Lesotho Ltd	9,994	100%	Lesotho
Cashfoundry Limited	890	89.0%	England

² The figures indicating the voting rights and capital have been rounded off and as a result the numerical figures shown as total may vary slightly from the exact arithmetic aggregation of the figures.

The Company runs the group company office which determines the regulatory, funding, treasury and compliance requirements across the Group. The Company has an oversight role in the Group in ensuring that the operations meet the standards of responsible corporate behavior relating to the Group's lending practice.

Recent events

On 3 March 2011 the Company incorporated a private limited company in England and Wales now registered under the name of Cashfoundry Limited. Cashfoundry Limited started operations in August 2011 and started trading in February 2012.

On 31 March 2011 the Company entered into an agreement with Sithembile Dlamini, Nkambule Winile and Ligagu Investments (Proprietary) Limited, Swaziland, including inter alia an option to acquire 100 per cent of the shares in Ligagu Investments (Proprietary) Limited during the 24 month period following 31 March 2011. As of the date of this Prospectus, the option has not been exercised by the Company.

On 23 May 2011 the Company incorporated the subsidiary Bayport Financial Services Lesotho Ltd.

The Company is currently considering incorporating a subsidiary in Mozambique.

The corporate bonds issued on 16 November 2010 with an aggregate nominal amount of SEK 700,000,000 have on 28 October 2011 been listed at the corporate bond list at Nasdaq OMX Stockholm.

Previous shareholders' loans amounting to USD 342,586 was repaid in May 2011.

On 12 October 2011 the Company issued promissory notes with an aggregated nominal amount of SEK 79,000,000. All the promissory notes have in connection with the issuance of the Bonds been converted into Bonds or redeemed.

Trends etc.

Significant adverse changes

No significant negative changes relating to the financial or market position of the Company or the Group has occurred since the last published annual report on 31 March 2011.

Material agreements

The Company has not concluded any material agreement which does not relate to its ordinary course of business and which may affect the Company's ability to fulfill its obligations under the Bonds.

Litigation

The Company 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 Company's or the Group's financial position or profitability. The Company is not aware of any legal proceedings or arbitration proceedings that could arise and which could have a significant effect on the Company or the Group's financial position or profitability.

Board of Directors, Senior Management and Auditors

The Board of Directors of the Company currently consists of nine members. Information on the members of the Board of Directors and the Senior Management, including significant assignments outside the Company, is set forth below.

Board of Directors

Sir Samuel Esson Jonah

Sir Samuel Esson Jonah is the chairman and a member of the Board of Directors since 2006. He is also the chairman of the Nomination Committee and a member of the Remuneration Committee of the Company.

Sir Samuel Esson Jonah is further a member of the board of directors of Bayport Financial Services Uganda Limited and serves as a non-executive director on the boards of Standard Bank Group Limited and Vodafone Limited.

Sir Samuel Esson Jonah is a shareholder and executive Chairman of Adobe Group Limited, which is a shareholder of the Company.

Grant Kurland

Grant Kurland is the Chief Executive Director and a member of the Board of Directors since 2009. He is also a member (by invitation) of the Remuneration Committee of the Company.

Grant Kurland is further a member of the board of directors of Actvest Limited, Bayport Financial Services Ghana Limited, Bayport Financial Services (T) Limited, Bayport Financial Services Uganda Limited, Consumer Finance Company Limited, Cashfoundry Limited, Empresa de Microcredito S.A. Fimsa S.A. as well as chairman of both Bayport Financial Services Limited and Money Quest Investments (Proprietary) Limited.

Grant Kurland is a shareholder of the Company.

Stuart Stone

Stuart Stone is the Executive Director and a Member of the Board of Directors since 2005. He is also a member of the Audit, Risk and Corporate Governance Committee of the Company.

Stuart Stone is further a member of the board of directors of Bayport Financial Services Ghana Limited, Bayport Financial Services Limited, Consumer Finance Company Limited and Empresa de Microcredito S.A. Fimsa S.A and the Executive Deputy Chairman of Bayport Financial Services (Pty) Limited, a South African company that is part of the Transaction Capital (Pty) Limited group.

Stuart Stone is a shareholder of the Company.

Eric A Venpin

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

Eric A Venpin is further a member of the board of directors of Actvest Limited, a Director of DTOS Ltd. and currently holds the position as Managing Director of Mauritian Eagle Insurance Co. Ltd.

Jimmy Wong

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

Jimmy Wong is further a member of the board of directors of Actvest Limited and the Managing Director of DTOS Ltd.

Justin Chola

Justin Chola is a non-executive Director and a member of the Board of Directors since 2007. He is also a member of the Nomination Committee of the Company.

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 Bayport Financial Services Limited.

Justin Chola is a shareholder of the Company.

Henrik Persson

Henrik Persson is a non-executive Director and member of the Board of Directors since 2009. He is also a member of the Nomination Committee and the Audit, Risk and Corporate Governance Committee of the Company.

Henrik Persson is a member of the board of directors of Kinnevik New Ventures AB, which is a shareholder of the Company, Black Earth Farming Ltd, Relevant Traffic Europe AB, Avito Holding AB, CDON Group AB, Vireo Energy AB and Milvik AB and the Head of Investment at Investment AB Kinnevik, which through Kinnevik New Ventures AB is a shareholder of the Company.

Jonathan Michael Jawno

Jonathan Michael Jawno is a non-executive Director and a member of the Board of Directors since 2010. He is also a member of the Remuneration Committee and the Nomination Committee and a member (by invitation) of the Audit, Risk and Corporate Governance Committee of the Company.

Jonathan Jawno is also an Executive Director and the Chief Risk Officer of Transaction Capital (Pty) Limited.

Jonathan Jawno is one of the beneficial owners of Elsworthy Holdings Ltd, which is a shareholder of the Company.

Voria Fattahi

Voria Fattahi is a non-executive Director and member of the Board of Directors since 2011.

Voria Fattahi is a member of the board of directors of Milvik AB and Seamless distribution AB and an investment manager at Investment AB Kinnevik,, which through Kinnevik New Ventures AB is a shareholder of the Company.

BOARD OF DIRECTORS

Name	Year of birth	Nationality	Position
Sir Samuel Esson Jonah	1949	Ghanaian	Chairman of the Board of Directors
Grant Kurland	1971	South African	Member of the Board of Directors
Stuart Stone	1969	South African	Member of the Board of Directors
Eric A Venpin	1966	Mauritian	Member of the Board of Directors
Jimmy Wong	1968	Mauritian	Member of the Board of Directors
Justin Chola	1962	Zambian	Member of the Board of Directors
Henrik Persson	1974	Swedish	Member of the Board of Directors
Jonathan Michael Jawno	1966	South African	Member of the Board of Directors
Voria Fattahi	1982	Swedish	Member of the Board of Directors

Senior Management

Grant Kurland

Grant Kurland is the Chief Executive Officer of the Company. For further information please see section “*Board of Directors*” above.

Stuart Stone

Stuart Stone is the Executive Director of the Company. For further information please see section “*Board of Directors*” above.

Bryan Arlow

Bryan Arlow is the Chief Financial Officer of the Company.

Bryan Arlow is a director of Money Quest Investments (proprietary) Limited, Cashfoundry Limited and Empresa de Microcredito S.A. Fimsa S.A.

Sandro Nassi

Sandro Nassi is a Finance Executive of the Company.

Sandro Nassi is an alternative director of Libravaal S.A.S.

David Rajak

David Rajak is Head of the Capital Markets and Investor Relations of the Company.

David Rajak is an alternate director of Empresa de Microcredito S.A. Fimsa S.A.

David Rogers

David Rogers is the Head of IT and Product Development for the Company

David Rogers is a director of Qualica Technologies Pty Ltd and Radix Financial Software Pty Ltd.

Paul Silverman

Paul Silverman is Head of New Business Development of the Company.

Paul Silverman is a director of Money Quest Investments (proprietary) Limited and Bayport Financial Services Namibia (pty) Ltd and an alternate director of Empresa de Microcredito S.A. Fimsa S.A.

Nicole Sanderson

Nicole Sanderson is the Head of Group Brand and Marketing of the Company.

Nicole Sanderson is an executive director and part owner of Betelgeuse Advertising (Pty) Ltd.

SENIOR MANAGEMENT

Name	Year of Birth	Nationality	Position
Grant Kurland	1971	South African	CEO
Stuart Stone	1969	South African	Executive Director
Bryan Arlow	1974	South African	CFO
Sandro Nassi	1970	South African	Finance Executive
David Rajak	1972	South African	Capital Markets
David Rogers	1970	Dual South African and British	Head of IT and Product Development
Paul Silverman	1968	South African	New Business Development

Nicole Sanderson	1971	South African	Head of Group Brand and Marketing
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The business address for all members of the Board of Directors and the Senior Management is: Bayport Management Ltd, 3rd Floor, Ebene Skies, Rue de L'Institut, Ebene, Republic of Mauritius.

Telephone number to the headquarter is: +230 465 1605.

Auditors

Kemp Chatteris Deloitte

Kemp Chatteris Deloitte was appointed as the auditor of the Company in 2005 and has thereafter been reappointed at each annual meeting up until the date of this Prospectus. Aline Ah Hee is the group partner at Kemp Chatteris Deloitte who is responsible for the Company and she is a member of Association of Chartered Certified Accountants.

Kemp Chatteris Deloitte's business address is: Kemp Chatteris Deloitte, 7th Floor, Raffles Tower, 19 CyberCity, Ebene, Republic of Mauritius.

Secretary of the Company

DTOS Ltd. was appointed Secretary of the Company in connection with the incorporation of the Company.

In accordance with the Mauritian Companies Act 2001, the duties of the Secretary of the Company shall include, but are not limited to, the following: (i) providing the Board with guidance as to its duties, responsibilities and powers; (ii) 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; (iii) ensuring that minutes of all meetings of shareholders or directors are properly recorded and all statutory registers be properly maintained; (iv) 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 (v) 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.

Conflicts of interests

To the Company's knowledge, none of the members of the Board of Directors or the Senior Management of the Company has a private interest that may be in conflict with the interests of the Company.

Although the Company is not currently aware of any conflicts of interest, it cannot be excluded that conflicts of interest may come to arise between companies in which members of the Board of Directors and members of the senior management have duties, as described above, and the Company.

Financial interests

Many of the members of the Board of Directors and the Senior Management have a financial interest in the Company through their direct or indirect holding of shares in the Company.

Major shareholders

The Company has one shareholder, Kinnevik New Ventures AB, who is considered to be a major shareholder due to that its shareholding exceeds 30 per cent of the total number of issued shares. Due to that the shareholder base of the Company also consist of two other large shareholders, it is however not considered that this shareholder hold a significant premium. In addition, there are significant minority protection rights in the shareholders agreements which further limit the influence of this major shareholder.

Financial overview

The financial information for the financial years ended 31 March 2010 and 31 March 2011 have been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and interpretations of International Financial Reporting Interpretations Committee (IFRIC). The annual reports for the financial year ended 31 March 2010 and the financial year ended 31 March 2011 have been approved by the Board of Directors and audited by the Company's auditor. The Company's annual reports for the financial year 2010 and 2011 have been incorporated in this Prospectus by reference; please see section "*Documents incorporated by reference*". The Auditor's reports for the financial year ended 31 March 2010 and the financial year ended 31 March 2011 are incorporated through the annual reports by reference; see section "*Documents incorporated by reference*".

In the Auditor's report for the financial year ended 31 March 2010, the Auditor stated the following:

"Emphasis of matter – Going concern

Without qualifying our opinion, we draw attention to note 35 in the financial statements which indicates that at 31 March 2010, the company had a shareholders' deficit of USD 1,542,832.

The financial statements have been prepared on the going concern basis, the validity of which depends on the directors who have undertaken to make arrangements in providing such financial support as is necessary to enable the company to operate as a going-concern. The financial statements do not include any adjustments that would result from non-availability of finance."

The legal consequence under Mauritian law of the shareholders' deficit is that the Company has to make good its accumulated losses in order to declare dividends or buy back shares, given that it will have to satisfy a solvency test in both cases. A company will meet the solvency test, *inter alia*, when its assets are greater than the total of the value of its liabilities and stated capital.

In the annual report for the financial year ended 31 March 2011, the Company changed its accounting policy for investments in subsidiaries from a cost to fair value basis with retrospective application in accordance with IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors". The fair value basis is considered to give a more realistic view of the value of the investments in the subsidiaries of the Company as at the reporting date. The change from a cost to fair value basis and the increase in the reported value of the subsidiaries have led to that the shareholders' deficit in the annual report for the financial year ended 31 March 2010, has been extinguished and hence in the auditor's report for the financial year ended 31 March 2011 there is no reference to this shareholders' deficit.

Documents incorporated by reference

In this Prospectus the following documents are incorporated by reference. The documents have been made public and have been handed in to the Swedish Financial Supervisory Authority.

<i>Reference</i>	<i>Document</i>
Financial information regarding the Company and the Company's business, 2009/2010	Bayport's consolidated annual report for financial year ended 31 March 2010
Financial information regarding the Company and the Company's business, 2010/2011	Bayport's consolidated annual report for financial year ended 31 March 2011
Auditor's report for the financial year ended 31 March 2010	Bayport's consolidated annual report for financial year ended 31 March 2010
Auditor's report for the financial year ended 31 March 2011	Bayport's consolidated annual report for financial year ended 31 March 2011

Investors should read all information which is incorporated in the Prospectus by reference. The documents can be obtained in paper format at the Company's head office.

Documents available for inspection

Copies of the following documents can be obtained from the Company in paper format during the validity period of the Prospectus at the Company's head office and are also available at the Company's web site, www.bayportfinance.com.

- The memorandum and articles of association of the Company
- All documents which – by reference – are a part of the Prospectus

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