

NOTICE OF PROCEDURE IN WRITING – REQUEST OF APPROVAL OF AMENDMENTS

to Holders of the maximum SEK 2,000 million bond loan 2017/2019 with ISIN SE0009723075 ("the "Bonds") issued by Bayport Management Ltd (the "Company") on 24 March 2017

Capitalized terms not otherwise defined in this notice shall have the meaning given to them in the terms and conditions for the Bonds (the "Terms and Conditions").

This notice has been sent by the Agent to directly registered owners and registered authorised nominees (*förvaltare*) of the Bonds as of 11 June 2018 in the debt ledger produced by Euroclear Sweden. If you are an authorised nominee under the Swedish Central Securities Depositories and Financial Instruments Accounts Act or if you otherwise are holding Bonds on behalf of someone else on a Securities Account, please forward this notice to the holder you represent as soon as possible. See under Voting rights in section B (*Decision procedure*) for further information.

Intertrust (Sweden) AB (the "**Agent**") acting in its capacity as agent for the Holders under the Terms and Conditions, hereby initiates a procedure in writing whereby the Holders can approve or reject a request made by the Company. The Company gives a background to the request, please see under *Background* in section A (*Request*).

Holders participate by completing and sending the voting form attached below to the Agent. The Agent must **receive the voting form no later than by 5 PM CET on 2 July 2018** by mail, via courier or e-mail to the addresses indicated below. Votes received thereafter may be disregarded.

To be eligible to participate in this procedure in writing a person must **fulfill the formal criteria for being a Holder on 18 June 2018** (the "**Voting Record Date**"). This means that the person must be registered on a Securities Account with Euroclear Sweden as a direct registered owner (*direktregistrerad ägare*) or authorised nominee (*förvaltare*) with respect to one or several Bonds.

If you have an interest in a Bond but are not registered as a direct registered owner or authorised nominee on a Securities Account, you need to obtain a power of attorney or other proof of authorisation from the person who fulfils the formal criteria for being a Holder on the Voting Record Date, to be able to participate. An alternative may be to ask the person that is registered as a Holder and holds the Bonds on your behalf to vote in its own name as instructed by you. For further information on voting, please see under *Voting rights* in section B (*Decision procedure*).

Please contact the securities firm you hold your Bonds through if you do not know how your Bonds are registered or if you need authorisation or other assistance to participate.

Relevant dates

11 June 2018	Record date for Holders to receive this notice
12 June 2018	Date of this notice
15 June 2018	Notice deemed received by Holders and ten Banking Days' reply period starts
18 June 2018	Voting Record Date
2 July 2018	Last day for replies in this procedure in writing
On or about 3 July 2018	Press release by the Company announcing the outcome of this procedure in writing

A. Request

Background

The Group currently has five outstanding international debt programmes listed on international stock exchanges and one private note programme. The Group is constantly evaluating new debt issuances in its local and international markets. Currently, the Group is working on five debt issuance transactions in five different markets and multiple unlisted note programmes or bilateral debt transactions in all nine operating countries. During 2018 (until 31 May), the Group has drawn new local currency funding in four different markets in an aggregate amount of over USD 65 million.

The covenant package under the Company's Swedish corporate bond loans, including the Bonds issued in 2017, was originally prepared in 2010 when the Company issued its first Swedish bond loan. At that time, the Company had assets of USD 173 million and equity of USD 47 million. Since 2010, minor amendments to the covenant package have been made. The objective of the Company has historically been to maintain similar covenants for its from time to time outstanding and overlapping Swedish bond loans. Hence, several of the covenants under the Terms and Conditions for the Bonds date back to 2010.

The Company is now looking to standardise its financial covenants, where possible, across its operating countries and cater for any market and business changes.

Since 2010, the Company has had the following changes:

Subsidiaries vs associated companies:

When the covenant package was prepared, associate companies were not anticipated and the covenants (Total Net Senior Debt ratio) do not cater for them. For example, the Company disposed of 51 percent of Bayport South Africa to Firefly Investments, a PIC led consortium for ZAR 1.632 billion, whereby Bayport South Africa became an associated company. Hence, an alignment of definition from Total Loan Book to Total Assets is proposed for consistency. This would also allow for the Company's 49 percent interest in the South African loan book to be catered for within the covenant.

Deposits and subsidiary debt:

In 2010, deposit mobilisation was not anticipated. Nonetheless, deposits are included in the Net Interest-Bearing Debt covenant and the Total Net Senior Debt covenant. A change to Total Assets from Total Loan Book and a change of the Net Interest-Bearing Debt ratio from 70 percent to 85 percent is proposed. This would move leverage from the Company to the subsidiaries while maintaining overall leverage at the same level (the Total Net Senior Debt ratio remains at 80 percent). The proposed amendments would cater for the opening up of local currency capital markets which is currently being experienced in almost all of the operating company geographies. It would further allow for deposit taking (unsecured) in the subsidiaries to continue at their current trajectory (and add deposits to the definition of Net Interest-Bearing Debt).

Lessons from FX volatility:

The years 2015 and 2016 showed the benefit of raising local currency funding in the subsidiaries compared to hard currency funding in the Company. The proposed amendments would significantly reduce FX risk on the balance sheet.

Tax benefit of raising funding in subsidiaries:

Since the Company is a Mauritian domiciled entity, the converse of the low tax regime is that you do not get the benefit of the tax shield on debt. It is more tax effective to raise funding in the subsidiaries.

In the Company's opinion, the proposed amendments to the Terms and Conditions as set out herein will be beneficial to the Group's current and future operations. The alignment of Terms and Conditions with the Group's other financing arrangements will simplify and streamline the Company's administration of the Group's outstanding and future financing and strengthen the Company's efficiency on the capital markets.

Request

The Company hereby requests that the Holders approve the proposed resolution set out below (the "**Request**").

The Request is to approve the following proposed amendments to the Terms and Conditions, where crossed out text means deletions and underlined text means additions in relation to the current wording of the Terms and Conditions.

- I. *Proposed amendment to the financial covenant "Ratio of Total Net Senior Debt to Total Loan Book" in Section 13.1 (b) of the Terms and Conditions:*

<i>Current wording</i>	<i>Proposed amendments</i>	<i>New wording</i>
<p>13.1 So long as any Bonds remain outstanding, the Company undertakes:</p> <p>(b) to ensure that the ratio of Total Net Senior Debt to Total Loan Book is not greater than eighty (80.00) per cent.;</p>	<p>13.1 So long as any Bonds remain outstanding, the Company undertakes:</p> <p>(b) to ensure that the ratio of Total Net Senior Debt to Total Loan Book<u>Total Assets</u> is not greater than eighty (80.00) per cent.;</p>	<p>13.1 So long as any Bonds remain outstanding, the Company undertakes:</p> <p>(b) to ensure that the ratio of Total Net Senior Debt to Total Assets is not greater than eighty (80.00) per cent.;</p>

- II. *Proposed amendment to the definition "Total Loan Book" in Section 1 of the Terms and Conditions:*

<i>Current wording</i>	<i>Proposed amendments</i>	<i>New wording</i>
<p>“Total Loan Book” means the total net advances (i.e. book value of lending to customers) of the Company on a consolidated basis calculated in accordance with the Accounting Principles (including, for the avoidance of doubt, as stated in a Special Financial Report);</p>	<p>“Total Loan Book” means the total net advances (i.e. book value of lending to customers) of the Company on a consolidated basis calculated in accordance with the Accounting Principles (including, for the avoidance of doubt, as stated in a Special Financial Report); <u>“Total Assets” mean the total assets of the Company on a consolidated basis according to the latest Report and calculated in accordance with the Accounting Principles (including, for the avoidance of doubt, as stated in a Special Financial Report);</u></p>	<p>“Total Assets” mean the total assets of the Company on a consolidated basis according to the latest Report and calculated in accordance with the Accounting Principles (including, for the avoidance of doubt, as stated in a Special Financial Report);</p>

III. Proposed amendment to the financial covenant “Ratio of Net-Interest Bearing Debt to Loan Book” in Section 13.1 (h) of the Terms and Conditions:

<i>Current wording</i>	<i>Proposed amendments</i>	<i>New wording</i>
<p>13.1 So long as any Bonds remain outstanding, the Company undertakes:</p> <p>(h) to ensure that the ratio of Net Interest-Bearing Debt to Loan Book is not greater than sixty five (65.00) per cent. in the Company’s Subsidiaries calculated on an aggregated basis and that the ratio of Net Interest-Bearing Debt to Loan</p>	<p>13.1 So long as any Bonds remain outstanding, the Company undertakes:</p> <p>(h) to ensure that the ratio of Net Interest-Bearing Debt to Loan Book is not greater than sixty five (65.00) per cent. in the Company’s Subsidiaries calculated on an aggregated basis and that the ratio of Net Interest-Bearing Debt to Loan</p>	<p>13.1 So long as any Bonds remain outstanding, the Company undertakes:</p> <p>(h) to ensure that the ratio of Net Interest-Bearing Debt to Loan Book is not greater than eighty-five (85.00) per cent. in any single Subsidiary, excluding any Treasury Company;</p>

Book is not greater than seventy (70.00) per cent. in any single Subsidiary, in each case excluding any Treasury Company;	Book is not greater than seventy (70.00) <u>eighty-five (85.00)</u> per cent. in any single Subsidiary, in each case —excluding any Treasury Company;	
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IV. Proposed amendment to the definition “Net Interest-Bearing Debt” in Section 1 of the Terms and Conditions:

<i>Current wording</i>	<i>Proposed amendments</i>	<i>New wording</i>
<p>“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);</p>	<p>“Net Interest-Bearing Debt” means the aggregate interest-bearing debt (less cash and cash equivalents <u>but, for the avoidance of doubt, including deposits</u>) of the respective Subsidiary as stated in the latest Report (excluding interest-bearing debt borrowed from any Group Company);</p>	<p>“Net Interest-Bearing Debt” means the aggregate interest-bearing debt (less cash and cash equivalents but, for the avoidance of doubt, including deposits) of the respective Subsidiary as stated in the latest Report (excluding interest-bearing debt borrowed from any Group Company);</p>

V. Proposed consequential amendments for consistency to the definitions “Guarantees” and “Material Group Company” in Section 1 of the Terms and Conditions:

<i>Current wording</i>	<i>Proposed amendments</i>	<i>New wording</i>
<p>“Guarantees” means any guarantee provided by the Company in relation to a newly founded or acquired Subsidiary during a period of thirty six (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 (10.00) per cent. of the</p>	<p>“Guarantees” means any guarantee provided by the Company in relation to a newly founded or acquired Subsidiary during a period of thirty six (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 (10.00) per cent. of the</p>	<p>“Guarantees” means any guarantee provided by the Company in relation to a newly founded or acquired Subsidiary during a period of thirty six (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 (10.00) per cent. of the</p>

Total Loan Book at any time;	Total Loan Book <u>Total Assets</u> at any time;	Total Assets at any time;
<p>“Material Group Company” means the Company or a Subsidiary representing more than ten (10.00) per cent. of the total assets of the Company on a consolidated basis according to the latest Report;</p>	<p>“Material Group Company” means the Company or a Subsidiary representing more than ten (10.00) per cent. of the total assets of the Company on a consolidated basis according to the latest Report <u>Total Assets</u>;</p>	<p>“Material Group Company” means the Company or a Subsidiary representing more than ten (10.00) per cent. of the Total Assets;</p>

The Request to approve the above proposed amendments to the Terms and Conditions shall be subject to one vote and, if approved, be adopted as one resolution.

B. Decision procedure

The Agent will determine if received replies are eligible to participate and calculate the result.

Information about the decision taken in this procedure in writing will be published as a press release and published on the websites of the Company and the Agent.

The minutes from this procedure in writing shall be held available for the Holders at the Company and at the Agent.

A matter decided will be binding for all Holders, irrespective of them responding in this procedure in writing.

Voting rights

Anyone who wishes to participate in this procedure in writing must on the Voting Record Date, 18 June 2018:

- (i) be registered on the Securities Account as a direct registered owner (*direktregistrerad ägare*); or
- (ii) be registered on the Securities Account as authorised nominee (*förvaltare*),

with respect to one or several Bonds.

If you are not registered as a direct registered owner, but your Bonds are held through a registered authorised nominee (*förvaltare*) or another intermediary, you may have two different options to influence the voting for the Bonds.

- (a) You can ask the authorised nominee or other intermediary that holds the Bonds on your behalf to vote in its own name as instructed by you.
- (b) You can obtain a power of attorney or other authorisation from the authorised nominee or other intermediary and send in your own voting form based on the authorisation. If you hold your Bonds through several intermediaries, you need to obtain authorisation directly from the intermediary that is registered in the Securities Account, or from each intermediary in the chain of holders, starting with the intermediary that is registered in the Securities Account as authorised nominee or direct registered owner.

Whether one or both of these options are available to you depends on the agreement between you and the authorised nominee or other intermediary that holds the Bonds on your behalf (and the agreement between the intermediaries, if there are more than one).

The Agent recommends that you contact the securities firm that holds the Bonds on your behalf for assistance, if you wish to participate in this procedure

in writing and do not know how your Bonds are registered or need authorisation or other assistance to participate.

Bonds held by the Company or any of its subsidiaries do not entitle to any voting rights.

Quorum

Quorum only exists if Holders representing twenty (20) per cent. of the Nominal Amount reply to the request in this procedure in writing.

Bonds held by the Company or any of its subsidiaries shall not be considered when calculating if a quorum exists.

If a quorum does not exist, the time for replies in this procedure in writing shall be extended with ten (10) Banking Days, provided that the relevant proposal has not been withdrawn by the Company. No quorum requirement will apply to such prolonged procedure in writing.

Majority

At least two thirds (2/3) of the Nominal Amount for which Holders reply in this procedure in writing must consent to the Request in order for it to be approved.

Final date to vote in this procedure in writing

The Agent must have received the votes by mail, courier or e-mail to the address indicated below no later than at 5 PM CET on 2 July 2018. Votes received thereafter may be disregarded.

Address for sending replies

By regular mail:

Intertrust (Sweden) AB
Att: Bayport Procedure in Writing
PO Box 162 85
SE-103 25 Stockholm

By courier:

Intertrust (Sweden) AB
Att: Bayport Procedure in Writing
Sveavägen 9
SE-111 57 Stockholm
Sweden

By e-mail:

E-mail: trustee@intertrustgroup.com

VOTING FORM

for the procedure in writing initiated on 12 June 2018 in the bond loan with ISIN SE0009723075 issued by Bayport Management Ltd

Bayport Management Ltd requests that the Holders approve the proposal as set out in the notice of the procedure in writing (the "**Request**").

The Agent is hereby empowered to enter into all necessary documentation required to implement the proposals, in the event that the Request is approved.

Reply

Name of person/entity voting: _____

Nominal Amount voted for: _____

The undersigned hereby (put a cross in the appropriate box):

Approve	<input type="checkbox"/>	Reject	<input type="checkbox"/>	Refrain from voting	<input type="checkbox"/>
with respect to the Request					

Signature

Name in print:

Contact information

Email:

Tel:

NOTE: Please attach a power of attorney/authorisation if the person/entity voting is not registered on the Securities Account as a direct registered owner or authorised nominee. The voting form shall be signed by an authorised signatory. A certified copy of a registration certificate or a corresponding authorisation document for the legal entity (except for registered authorized nominees) shall be appended to the voting form for any legal entity voting. The registration certificate, where applicable, may not be older than one year.

POWER OF ATTORNEY/AUTHORISATION¹

for the procedure in writing initiated on 12 June 2018 in the bond loan with ISIN SE0009723075 issued by Bayport Management Ltd

Authorised Person²: _____

Nominal Amount³: _____

Grantor of authority⁴: _____

We hereby confirm that the authorised person specified above has the right to vote for the Nominal Amount set out above. This power of attorney is only valid for the period of the procedure in writing.

We represent an aggregate Nominal Amount of⁵: _____

We are (put a cross in the appropriate box):

Registered as authorised nominee in the Securities Account

Registered as direct registered owner in the Securities Account

Other intermediary and hold the Notes

through⁶ _____

Date:

Signature

Name in print:

¹ Use this form to confirm a person's/entity's authority to vote if the person is not registered as a direct registered owner or an authorised nominee.

² Insert the name of the person/entity that should be authorised to vote.

³ Insert the total nominal amount the Authorised Person should be able to vote for.

⁴ Insert the name of entity/person confirming the authority.

⁵ The total Nominal Amount the undersigned represents.

⁶ Mark this option if the undersigned is not registered as authorised nominee or direct registered owner in the Securities Account kept by Euroclear Sweden. Please insert the name of the firm the undersigned hold the bonds through.

For further questions please see below:

To the Agent: Intertrust (Sweden) AB, Anna Litewka (Director),
phone: +46 (0)8 402 72 11, e-mail: Anna.Litewka@intertrustgroup.com

To the Company: Bayport Management Ltd, David Rajak (Capital Markets
Executive), phone: +27 11 236 7300, e-mail: David@bayportfinance.com or
Tessa Quaker (Group Head of Legal), phone: +27 11 236 7300, e-mail:
TessaQ@bayportfinance.com

Stockholm on 12 June 2018

**Intertrust (Sweden) AB
as Agent**