



Swaziland Prospectus
11th Issue


ecsponent
Limited
Swaziland



Ecsponent Swaziland Limited
(Incorporated in the Kingdom of Swaziland)
(Registration number R7/38733)
(the "Company" or "Ecsponent")

Prospectus

Opening date of the offer	01 February 2018
Closing date of the offer	30 April 2018

An English copy of this prospectus, accompanied by the documents referred to under "Registration of Prospectus", was registered with the Registrar of Companies in Mbabane on 29 January 2018 in terms of Sections 134 of the Companies Act, Act No. 8 of 2009 as amended and at the Registrar of Capital Markets (Central Bank of Swaziland) in terms of part IX of the Securities Act, Act No. 9 of 2010. The Registrar has scrutinised the information disclosed in this prospectus.

The information disclosed, complies with the statutory requirements. The shares to be issued pursuant to this offer will rank *pari passu* with all other classes of shares issued by the Company.

The attention of the public is drawn to the fact that the shares on offer are unlisted and should be considered to be a risk-capital investment. Capital invested in linked loan units as well as the dividends, returns and repayment on capital at redemption is not guaranteed. However, the Company secures investments against the underlying assets of Ecsponent. Investors themselves are therefore at risk as the linked loan units are not readily marketable and this situation could result in the loss of the investment to the investor if the Company should fail.

This prospectus includes forward-looking statements. Forward-looking statements are statements that include, but are not limited to, any statements regarding the future financial position of the Company and its future prospects. These forward-looking statements have been based on current expectations and projections about future results which, although the directors believe them to be reasonable, are not a guarantee of future performance.

Risk factors which may cause the Company's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by it in the forward-looking statements include, among other things, economic decline and foreign currency risk.

The directors, whose names are stated in this document, accept full responsibility, collectively and individually, for the accuracy of the information given herein and certify that, to the best of their knowledge and belief, no facts have been omitted which would make any statement false or misleading, they have made all reasonable enquiries to ascertain such facts and that this prospectus contains all information required by law.

The auditors, bankers, attorneys, compliance officers and the company secretary, whose names are included in this prospectus, have given and have not, prior to registration, withdrawn their written consent to the inclusion of their names in the capacities stated and, where applicable, to their reports being included in this prospectus.

General statement

1. This prospectus refers to a public offer of:

1.1. Five-Year Income Provider

20 000 Class A five year, variable rate, redeemable, convertible, cumulative, non-voting par value preference shares at an issue price of E1.00 per preference share in the share capital of Ecsponent Swaziland Limited and a variable rate redeemable, convertible claim of E999.00 per claim to be sold in linked loan units of 1 preference share and one claim, which share and claim are inseparably linked and offered at E1 000.00 per linked loan unit at a variable interest rate, presently at 15% per annum with interest being payable and cumulate monthly, and with a minimum amount of E10 000.00 per investment.

1.2. Five-year Capital Growth Provider

20 000 Class E five year, zero rate, redeemable, convertible, non-voting par value preference shares at an issue price of E1.00 per preference share in the share capital of Ecsponent Swaziland Limited and a zero rate redeemable, convertible claim of E999.00 per claim to be sold in linked loan units of 1 preference share and one claim, which share and claim are inseparably linked and offered at E1 000.00 per linked loan unit at a zero rate, at a redemption value of E2 000.00 per linked unit, and with a minimum amount of E10 000.00 per investment.

2. Minimum amount

This offer is conditional on the raising of the specified minimum amount contemplated in section 147 of the Act and dealt with in paragraph 21(a)(ii) of Schedule 2 Part II to the Act.

3. Series of prospectuses

The prospectus is the eleventh in a series of prospectuses by the Company.

4. Time limits

- 4.1 The minimum subscription must be raised within 60 business days after the issue of the prospectus;
- 4.2 A prospectus may not be issued more than 90 days after the date of its registration in accordance with section 140 of the Act; and
- 4.3 A company may not allot any securities on offer or accept any subscription more than 90 days from date of the prospectus in accordance with section 146 of the Act.

5. Additional copies of this prospectus

Additional copies of this prospectus may be obtained from the following entities on weekdays during normal business hours for the duration of the offer period:

- 5.1 Ecsponent Swaziland Limited (Swaziland);
- 5.2 Ecsponent Limited (South Africa); and
- 5.3 www.ecsponent.com (for electronic copies)

Corporate information

[1(a), 3, 4, 32, 35]



DAVID WALKER
CHARTERED ACCOUNTANT (SWAZILAND)



Registered address

Ecsponent Swaziland Limited
7 The Gables, Ezulwini, Swaziland

(P.O. Box D9, The Gables, Swaziland)

Commercial Bank

First National Bank a division of First Rand Bank Limited

Ground Floor, Matsapha Business Centre
First Avenue, Matsapha Industrial Site
Matsapha, Swaziland

(P.O. Box 308, Matsapha, Swaziland)

Transfer Secretaries

Ecsponent Swaziland Limited
7 The Gables, Ezulwini, Swaziland

(P.O. Box D9, The Gables, Swaziland)

Reporting Accountant and Auditor

David Walker & Company
Ngonini House, Ngonini Road, Ezulwini, Swaziland

(P.O. Box 1685, Mbabane, Swaziland)

Investment Advisor

Ecsponent Swaziland Limited
7 The Gables, Ezulwini, Swaziland

(P.O. Box D9, The Gables, Swaziland)
Licence No. IA/0020/14 and CISM/003/17

Company Secretary

S. V. Mdladla & Associates
Lot No.306, Lomadvokola Chambers,
Cnr Lomadvokola and Nukwase Streets, Mbabane, Swaziland

(P.O. Box 3798, Mbabane H100, Swaziland)

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Definitions

In this prospectus, unless otherwise indicated or unless the context indicates otherwise, the words in the first column have the meaning stated opposite them in the second column; words in the singular include the plural and *vice versa*; words importing one gender include the other gender; and references to a natural person include references to a juristic person and *vice versa*.

"Act"	The Companies Act, Act No. 8 of 2009 (as amended).
"claim"	A fragment of a linked loan unit which bears interest at a variable annual rate as described and offered in terms of this prospectus.
"convert"	The Company's obligation to convert linked loan units into ordinary shares in accordance with the rights attached to preference shares.
"cumulative"	A type of preferred securities which obligates the Company to pay omitted dividends before ordinary shareholders can receive Dividends or the Company's obligation to pay unpaid dividends.
"debenture"	Includes debenture stock, debenture bonds and any other securities of the Company, whether or not it constitutes a charge on the assets of the Company.
"dividends"	Transfer by the Company of money of the Company, other than its own shares, to or for the benefit of a class of shareholders in accordance with the preferences and rights pertaining to each class of shares.
"Ecsponent Group"	Ecsponent Ltd, incorporated as a public company under the laws of the Republic of South Africa with incorporation number 1998/013215/06 with registered office and primary place of business at Fintech Campus, First Floor, Corner of Botterklapper and Ilanga Streets, The Willows, Pretoria, Gauteng, Republic of South Africa, and its subsidiaries from time to time.
"Ecsponent" or "the Company" or "Transfer Secretaries"	Ecsponent Swaziland Limited with registration number R7/38733, incorporated as a public company under the laws of the Kingdom of Swaziland, and an authorised Investment Advisor, registered with the Financial Services Regulatory Authority under licence number IA/0020/14 as well as Collective Investment Scheme Manager license under CISM/003/17.
"interest"	
	The accrual of returns on each claim forming part of a linked loan unit at a determined percentage rate, calculated in accordance with the preferences and rights pertaining to such linked loan units.
"investor"	A person or legal entity who subscribes to the products of the Company with the expectation of financial return.
"linked unit" or "linked loan unit" or "unit"	An indivisible unit in the capital of the Company comprising one preference share and one claim.
"Memorandum and Articles"	The Memorandum and Articles of Association of the Company, registered under the Act.
"migration"	A movement of the investment of a shareholder from one Ecsponent investment product to another Ecsponent investment product as offered in the latest prospectus.
"non-resident"	A person whose registered address is outside the area of the Kingdom of Swaziland and who is not an emigrant.
"non-voting"	The limited right of shareholders to vote at meetings of the Company as determined by the Act and the Company's Memorandum and Articles.
"ordinary shares"	The par value ordinary shares in the capital of the Company.
"preference share"	Each class of variable-rate or zero-rate redeemable; convertible; cumulative; non-voting; par value preference shares at an issue price of E1.00 per preference share in the share capital of Ecsponent Swaziland Limited, as described and offered in terms of this prospectus.
"prospectus"	This prospectus and its annexures, registered on 29 January 2018.

“redeem”	The Company’s obligation to pay off the linked loan units on the redemption date.
“shares”	All securities of the Company, including the ordinary shares, preference shares, linked loan units and debentures of Ecsponent as defined in the Company’s Memorandum and Articles.
“the offer”	The offer for subscription in terms of this prospectus.
“variable rate”	The dividend and interest rate applicable to specific classes of linked loan units determined by the Board of Directors of the Company.
“voting”	The right of shareholders to vote at meetings of the Company as determined by the Act and the Memorandum and Articles.



Section 1

Information on Ecsponent

1.1. Name, address and incorporation [1(a)(b), 32]

The Company was incorporated as a public company on 16 July 2013 under the name Escalator Capital Limited. On 12 December 2013, the Company's name was changed to Ecsponent Limited and on 27 June 2017, the Company's name was changed to Ecsponent Swaziland Limited.

Ecsponent's registered office and primary place of business is at 7 The Gables, Ezulwini, Swaziland.

The holding company of Ecsponent is Ecsponent Holdings (Pty) Limited, incorporated as a private company under the laws of the Kingdom of Swaziland with incorporation number R7/42655 with registered office at 7 The Gables, Ezulwini, Swaziland. Ecsponent Holdings (Pty) Limited holds 593 000 000 shares in Ecsponent, which represents 84.71% of the total issued ordinary share capital of the Company.

Ecsponent is performing the services of the transfer agent.

1.2. Directors, office bearers and material third parties [2(a)(c)(e), 34]

1.2.1 Ecsponent's Board of Directors

The details of the directors of Ecsponent are set out below:

Name	Position	Nationality	Resident
Ndumiso Mamba Esq	Chairman	Swazi	Swaziland
Esther Magagula-Dlamini	Vice Chair	Swazi	Swaziland
Dr Anton Hay	Non-Executive	South African	South Africa
Edwin Soonius	Executive	South African	Swaziland
Lindiwe Vilakati	Executive	Swazi	Swaziland

The address of all of the directors is 7 The Gables, Ezulwini, Swaziland.

Ndumiso Mamba Esq

Chairman & Non-executive director (LLB, LLM)

Ndumiso Mamba Esq, holds an LLB (Hons) and an LLM (Hons) degree after studying Law at The London University. He is a Barrister at Law, having been called to Bar of England and Wales, as an Honourable Member of Lincoln's Inn, after a sojourn at the Inns of Court School of Law, in London, where he lived for over ten years.

Mr Mamba has served in His Majesty's Government in the Ministry of Justice & Constitutional Affairs, as a Minister of The Crown, by appointment of His Royal Majesty, The King of Swaziland.

Prior to his position as a Servant of The Realm, Mr Mamba was employed by Tibiyo Taka Ngwane for over 25 years, The Swazi Nations Investments Conglomerate, where he rose from the junior ranks of Legal Adviser to General Manager and finally appointed as Managing Director, by His Royal Majesty The King.

Mr Mamba's role in public life includes being the Chairman of several companies including, Simunye (RSSC), Nedbank, Inyatsi, Dalcrue Agricultural Holdings, The Swaziland Investment Promotion Agency (SIPA), Tibiyo Properties, The Royal Villas,

Mananga Sugar Packers. He also serves as director on the boards of companies including Illovo Ubombo, Dvokolwako Diamond Mines, Emaswati Colliery, Maloma Colliery, Union Bank (before it metamorphosed into Stanbic, then Standard Bank). Mr Mamba also serves as His Majesty's Appointee in the Council of the University of Swaziland, as Trustee to the Board of Trustees in The King's Office and the King's Trust.

Esther Magagula-Dlamini

Vice Chair & Non-executive director (B.Com)

Ms Magagula's banking experience dates to 1975, when she joined the Swaziland Development and Savings Bank (SDSB) as a registry clerk, before enrolling with the University of Botswana and Swaziland for a Bachelor of Commerce degree.

After serving SDSB for 4 (four) years, she joined the Central Bank of Swaziland in 1984, and gaining experience in multiple areas of the bank. Ms Magagula is currently the Manager Development Finance, responsible for the development of Small Scale Enterprises, managing of the Small-Scale Loan Guarantee Schemes. From 1999, she was seconded internally to the Swaziland Central Bank Capital/ Markets Development Unit. In 2013, this unit migrated

to the Financial Services Regulatory Authority with the same responsibility as Manager Licensing and inspecting financial services providers, which include the stock exchange, brokers/dealers, collective investment schemes and trustees. Ms Magagula's experience lies in motivating the passage of the Financial Services Regulatory Authority Bill and the Securities Bill to being promulgated into Acts.

Dr Anton Hay

Non-executive director (BA, B.Ed, M.Ed, D.Ed, TED, FDE)

Anton studied education at the Pretoria College of Education and obtained the TED qualification in 1967 whereafter he was appointed to his first teaching position in Vanderbijlpark. In 1968 he was appointed as Head of Department at Cullinan Primary School and later as Deputy Principle of Valhalla Primary School. In 1978, Anton commenced part-time studies towards obtaining an FDE (UNISA), BA (UNISA), B.Ed (UP) and M.Ed (UP) qualification. He subsequently obtained a doctorate at UNISA in 1986.

In 1983, he commenced duties as a lecturer at the College of Education for Further Training followed by his appointment in 1989 as the Head of the Liaison Bureau at the College.

In 1993, Anton made a career shift by joining attorneys Symington and De Kock in Pretoria. He gained significant experience as an intern clerk at the firm for two years before successfully launching his own short-term insurance practice, called the Platinum Group.

In 2003, he sold his insurance practice and worked as a financial intermediary up to 2010 when he joined the Investiplan Group. Anton joined the Ecsponent Group in early 2011, adding his significant financial and marketing industry experience to the Company.

Edwin Soonius **Executive Director**

Edwin, a South African born citizen has extensive and many years' experience in the property industry which includes rezoning and housing development projects. Edwin has extensive knowledge as to best property selection for investment purposes.

In 2007 he entered into the marketing, graphic design and printing environment through family associations and became the owner of a Kodak Express which he later traded up to a Jetline Print franchise. Edwin sold the franchise to the franchisor of Jetline Print in 2011 and pursued a career in office technologies.

Edwin originally joined the Ecsponent Group in March 2014, with the intention to serve as roaming country manager, but has found his stride within the borders of the Kingdom of Swaziland and has requested to be stationed in Swaziland on a permanent basis.

Lindiwe Vilakati **Executive Director**

Lindi, a Swazi born citizen has many years of admin management and marketing experience; she began her career in 1998 as a sales consultant for Afritool and

joined Isambulo Insurance brokers in 2003, where she gained financial insurance and investment experience. Lindi has been accredited by financial institutions like STANLIB, STDB money market and STDB Swaziland managed fund. Lindi has been operating under the rules and regulations of the Financial Services Board of South Africa which together with her strong marketing and administrative skills as well as her good client relationships will add great value.

1.2.2 Ecsponent advisors

The names and business addresses of Ecsponent's auditors, attorneys and company secretary are set out on page 3 of this prospectus under the heading Corporate Information.

1.2.3 Appointment, qualification, remuneration and borrowing powers of directors

None of the non-executive directors have signed service agreements, and accordingly, are entitled to give notice of resignation in the ordinary course of their term of office.

The term of the appointment of the directors is indefinite, but it remains subject to all applicable laws (including common law) and the provisions of the Company's Memorandum and Articles.

Save for any entitlement that may result from an effective shareholding and the exercising of those rights pursuant to ordinary corporate action, no person has any contractual or other right relating to the appointment of any particular director or number of directors.

The relevant provisions of the Memorandum and Articles of Ecsponent regarding the appointment, qualification, remuneration and borrowing powers of the directors are set out in Annexure 1 to this prospectus.

The above-named persons have not been involved in bankruptcies or voluntary arrangements.

The directors of the Company have not acted as directors with an executive function of any company at the time or within the 12 months that precede any of the following events: receiverships, compulsory liquidations, creditor's voluntary liquidations, administrations, company voluntary arrangements or any composition or arrangement with its creditors generally or with any class of its creditors.

The directors of the Company have not been the subject of public criticisms by statutory or regulatory authorities (including professional bodies) and have not been disqualified by a court from acting as a director of a company or from acting in the management of or conducting the affairs of any company.

The above-named directors of the Company have not been involved in any offences concerning dishonesty. No fees have been paid to a third party in lieu of directors' fees.

No loans have been made to the directors of Ecsponent.



Save as disclosed in this prospectus, Ecsponent has not issued any other form of loan capital nor does it have any outstanding loan capital (including term loans), whether issued or created but unissued, or other borrowings or indebtedness in the nature of borrowings, including bank overdrafts and liabilities under acceptances or acceptance credits, hire purchase commitments, finance lease obligations, mortgages, charges, guarantees or other contingent liabilities.

1.2.4 Directors' remuneration [2(c)]

The remuneration and benefits to be paid to the directors of Ecsponent Swaziland Limited, shall be approved by way of special resolution from time to time.

Director	Salaries E	Fees E	Benefits E	Bonuses E
N Mamba	-	2 500	-	*
E Magagula-Dlamini	-	1 700	-	*
L Vilakati	-	2 000	-	*
E Soonius	15 000	-	-	*
Dr A Hay	-	-	-	*
Total	15 000	6 200	-	*

* Bonuses will only be paid if the Company performs well above budgeted expectations.

Save for the above, there will be no other remuneration, benefits or fees payable to the directors of Ecsponent Swaziland Limited up to the closing of this prospectus. Up to the date of this prospectus, no payment has been made to any director to induce him/her to become a director or in connection with the promotion or formation of the Company. All the above operational cost and fees will be paid for and funded by the Company.

1.2.5 Fees and funds under management

The management of funds in the Ecsponent portfolio will be undertaken by Ecsponent. The remuneration payable to Ecsponent for all assets under management and operational management services rendered by it shall be an initial once-off administration fee of 2,5%

on all new capital raised and thereafter a monthly fee of 0,35% of the aggregate of the market capitalisation and the borrowings of Ecsponent.

For each successful subscription to the offer, Ecsponent receives a once-off placement fee of 10% on all new capital raised.

Ecsponent Swaziland Limited is a registered Investment Advisor with the Financial Services Regulatory Authority under licence number IA/0020/14, issued on 01 April 2015.

The Company obtained a Collective Investment Scheme Manager's license on 01 September 2017 under license number CISM/003/17.

1.3. History, state of affairs and prospects of the Company [6(a)(i), (b), (c), 33, 46]

1.3.1 General description of the business

Ecsponent is a wealth-generating, investment company, which raises capital through the medium of prospectus subscription. The prospectuses issued in the Ecsponent Group in the past 3 years have been highly successful and resulted in exponential growth for the Ecsponent Group and above average returns for its investors and shareholders.

Although Ecsponent does not guarantee its investments, the products of the Company are secured against the assets held by Ecsponent. In addition, the Board of Ecsponent ensures that the investment portfolio spans numerous industry segments, thereby providing insulation against specific market variances.

Ecsponent's investments are diversified across a number of defensive industries, predominantly financial services. High-growth opportunities are identified and negotiated by industry specialists with significant experience.

The investment practice of the Company will continue to be based on the policies and principles that have been successfully employed in the past in other jurisdictions. It is the opinion of the Board of Ecsponent that this wider range of investment products will be a catalyst for the Company's continued high growth and increasing its status as a preferred investment over time.

1.3.2 Incorporation, history and nature of business

The Company was incorporated as a public company on 16 July 2013 under the name Escalator Capital Limited with an authorised share capital of E800 001 000.00, comprising of 1 000 000 000 ordinary shares of E0.000001 each and an issued share capital of E700.00, comprising 700 000 000 ordinary shares of E0.000001 each. On 01 August 2013, the Company passed a special resolution to rectify the Company's Memorandum and Articles. On 12 December 2013, the Company's name was changed to Ecsponent Limited. On 27 June 2017, the Company's name was changed to Ecsponent Swaziland Limited.

1.3.3 Objectives and prospects of the Company

The primary objective of Ecsponent is to provide and create a secured environment for investors to obtain higher returns than are normally available, while making capital available to businesses that need the funds for growth.

Ecsponent is able to create opportunities that individual investors are not normally able to access or to take advantage of.

The Company uses professional, outsourced services to assess any assets that are to be brought onto the statement of financial position. In terms of equity and debt investments, Ecsponent screens and evaluates companies that:

- are not rate sensitive;
- provide adequate realisable security or guarantees;
- have an adequate financial track record; and
- are able to provide above-average returns on funds received.

Ecsponent continues to experience significant demand for capital across its operational markets by entities with ample security for the underlying investors. Therefore, all funds that are invested are fully secured by realisable assets and guarantees.

Ecsponent has access to several avenues through which assets can be purchased. All these assets are linked to existing income streams linked or liquid and can be disposed of in the short term if required.

In addition to the above, the future prospects of the Company include:

- The expertise that exists within Ecsponent will create expansion opportunities throughout the Common Monetary Area, which will in turn generate substantial revenue streams for the Company.
- The opportunity to expand Ecsponent into untapped markets and neighbouring countries.
- Ecsponent's investment products in the market place will continue to be promoted and will increasingly gain traction.
- Further investment in companies that require capital injection.
- Further acquisition of assets.

1.3.4 Material changes in the business of Ecsponent

Save as disclosed in this prospectus, no material changes in the financial or trading position or in the assets or liabilities of Ecsponent have taken place between the date of incorporation of Ecsponent and the date of this prospectus.

1.3.5 Opinion of the directors and state of affairs of Ecsponent

The forecast consolidated statement of financial position and consolidated statement of comprehensive income of Ecsponent appear below. The forecast does not take into account any potential expansion into markets outside the current markets. The directors' forecasts are based on general margins and expense ratios that have been achieved in the business. The Board of Directors believes that it can improve these ratios and that such improvement should add additional value to the business.

1.3.6 Financial forecast information

1.3.6.1 Forecast statement of comprehensive income

Set out below are the pro-forma forecast consolidated statement of comprehensive income of Ecsponent for a 5-year period.

Consolidated statement of comprehensive income

	12 months Audited December 2014	12 months Audited December 2015	15 months Audited March 2017	10 months Unaudited January 2018	12 months Forecast January 2019
Figures in E					
Revenue	1 521 381	5 957 382	29 092 968	31 669 092	42 797 062
Operating expenses	(1 015 969)	(1 739 324)	(14 337 357)	(4 773 818)	(6 975 260)
Operating profit	505 412	4 218 058	14 755 611	26 895 274	35 821 802
Other income	832 026	-	709 450	-	-
Investment revenue	-	110 213	199 431	30 261	140 000
Finance cost - including dividends	(628 062)	(4 334 385)	(13 846 951)	(21 646 966)	(29 117 797)
Profit before taxation	709 376	(6 114)	1 817 541	5 278 569	6 844 005
Taxation	(105 797)	(2 739)	(517 939)	(625 225)	(1 701 518)
Profit after taxation	603 579	(8 853)	1 299 602	4 653 344	5 142 487

1.3.6.2 Forecast statement of financial position

Set out below are the pro-forma forecast consolidated statement of financial position of Ecsponent for a 5-year period.

Consolidated statement of financial position

	12 months Audited December 2014	12 months Audited December 2015	15 months Audited March 2017	10 months Unaudited January 2018	12 months Forecast January 2019
Figures in E					
Assets					
Non Current Assets	12 172 064	4 864 168	55 571 371	1 043 687	1 076 416
Property, plant and equipment	-	126 640	108 753	84 415	50 747
Intangible assets and Goodwill	-	4 737 528	-	-	-
Other financial assets	12 172 064	-	54 675 946	-	-
Deferred tax asset	-	-	786 672	959 272	1 025 669
Current Assets	295 257	32 736 052	56 934 559	214 456 208	258 643 471
Debtors	107 778	944 075	15 000	26 947	15 000
Loans to Group companies	-	29 586 631	43 128 398	208 398 175	254 576 135
Other financial assets	-	-	6 859 759	-	-
Cash and cash equivalents	187 479	2 205 346	6 931 402	6 031 086	4 052 336
Total Assets	12 467 321	37 600 220	112 505 930	215 499 895	259 719 887
Equity and liabilities					
Equity	604 278	595 428	1 895 030	6 548 374	11 690 861
Share capital	700	700	700	700	700
Retained earnings	603 578	594 727	1 894 330	6 547 674	11 690 161
Liabilities					
Long term Liabilities	11 765 773	36 120 339	109 199 977	207 898 302	247 898 302
Financial Liabilities	11 659 976	36 085 116	109 199 977	207 898 302	247 898 302
Deferred Taxation	105 797	35 223	-	-	-
Current Liabilities	97 269	884 454	1 410 923	1 053 220	130 724
Total Equity and Liabilities	12 467 321	37 600 220	112 505 930	215 499 895	259 719 887

1.3.6.3 Pro-forma statement of financial position before and after the offer

No reporting accountant's report is required or has been issued on the pro-forma financial information. The pro-forma consolidated statement of financial position of Ecsponent, before and after the offer for subscription presented below are unreviewed and unaudited and has been prepared for illustrative purposes and, due to its nature, may not provide a true picture of Ecsponent's financial position.

Consolidated statement of financial position

	Before offer	Movement 1*	Movement 2**	After offer
Assets				
Non-current assets	55 571 371	-	-	55 571 371
Property, plant and equipment	108 753	-	-	108 753
Loans to group companies	-	-	-	-
Other financial assets	54 675 946	-	-	54 675 946
Deferred tax	786 672	-	-	786 672
Current assets	56 934 559	95 554 000	40 000 000	192 488 559
Debtors	15 000	-	-	15 000
Loans to group companies	43 128 398	-	-	43 128 398
Other financial assets	6 859 759	-	-	6 859 759
Cash and cash equivalents	6 931 402	95 554 000	40 000 000	142 485 402
Total assets	112 505 930	95 554 000	40 000 000	248 059 930
Equity and liabilities				
Equity	1 895 030	-	-	1 895 030
Share capital	700	-	-	700
Retained earnings	1 894 330	-	-	1 894 330
Non-current liabilities	109 199 977	95 554 000	40 000 000	244 753 977
Financial liabilities	109 199 977	95 554 000	40 000 000	244 753 977
Deferred taxation	-	-	-	-
Current liabilities	1 410 924	-	-	1 410 924
Total equity and liabilities	112 505 930	95 554 000	40 000 000	248 059 930

Movement 1 * Actual money raised from April 2017 to January 2018

Movement 2 ** Assume all shares offered in this prospectus are placed.

1.3.6.4 Assumptions in respect of the above financial statements

- The pro-forma financials do not include any future revenue that might be realised by future prospectuses.
- It is assumed that all the linked loan units offered by this prospectus will be fully subscribed.
- It is furthermore assumed that the current dividend and interest rate for each class of linked loan unit will remain the same for the next 60 months. Dividend and interest rate changes will affect the income investments.

1.3.7 Dividends

1.3.7.1 Preference shares

Dividends payable to the holders of preference shares have been assumed at a variable rate and may fluctuate between the minimum and the maximum rates for each class of preference share at the discretion of the Board of Directors.

Dividends on preference shares will be declared and are payable monthly in arrears from the profits of the Company.

All unpaid dividends will accumulate and be paid in full before any new dividend is declared.

1.3.7.2 Ordinary shares

Dividends on ordinary shares will be declared annually only after the payment of preference share dividends. While not provided for in the assumptions, interim dividends on ordinary shares may be declared at the discretion of the Board of Directors.

1.3.7.3 Interest on claims

Interest returns on claims payable to holders of claims is variable and may be adjusted by the Board of Directors from time to time within the minimum and maximum rates specified for each class in respect of the claim.

Interest on claims will be declared and be payable monthly in arrears from the profits of the Company and/or at redemption and at the end of the investment term, as specified per relevant class.

1.3.8 Capital commitments, lease payments and contingent liabilities

1.3.8.1 Capital commitments

At the date of this prospectus, Ecsponent has made no material commitments for capital expenditure other than those disclosed in this prospectus.

1.3.8.2 Lease commitments

Ecsponent leases its office premises from The Gables (Pty) Limited at a cost of E8 550.00 per month. Ecsponent has no other material lease commitments.

1.3.8.3 Contingent liabilities

Save as disclosed in this prospectus, Ecsponent has no material contingent liabilities.



1.4. Share capital of the Company [8(a)(b)(c)(d), 37]

1.4.1 Classes of shares and rights attached

There are two classes of shares, namely ordinary shares and preference shares. The preference shares are subdivided into Class A, B, C, D, E, F, G and H shares.

In accordance with the Memorandum and Articles, every member who holds ordinary shares in person or by proxy (or, if a body corporate, duly represented by an authorised representative) shall at any general meeting have one vote on a show of hands and, on a poll, every such member present in person or by proxy shall have that proportion of the total votes in the Company which the aggregate amount of the nominal value of the shares held by him bears to the aggregate amount of the nominal value of all shares issued by the Company.

The preference shares have limited voting rights and are secured by the assets of Ecsponent. Dividends

paid to linked loan unit holders are at a variable rate, cumulative and redeemable in accordance with the investment period for each class and convertible at default by the Company, and have preferential rights to receive dividends upon winding up, as set out in article 10 and 12 of Annexure 2. All classes rank *pari passu* in every other respect. Any variation of rights attaching to shares will require the consent of shareholders at a general meeting in accordance with the Memorandum and Articles.

1.4.2 Before and after the offer

The authorised and unissued shares will remain under the control of the directors, subject to the provisions of the Act.

The authorised and issued share capital of Ecsponent according to the share register at 29 January 2018 is as follows:

Stated capital according to shared register	
700 000 000 ordinary shares par value shares	700
118 451 Class A preference shares	118 451
NIL Class B preference shares	-
NIL Class C preference shares	-
NIL Class D preference shares	-
82 210 Class E preference shares	82 210
NIL Class F preference shares	-
NIL Class G preference shares	-
NIL Class H preference shares	-
	201 361

After the offer	
Stated capital according to shared register	
700 000 000 ordinary shares par value shares	700
138 451 Class A preference shares	138 451
NIL Class B preference shares	-
NIL Class C preference shares	-
NIL Class D preference shares	-
102 210 Class E preference shares	102 210
NIL Class F preference shares	-
NIL Class G preference shares	-
NIL Class H preference shares	-
	241 361

1.5. Options and preferential rights in respect of linked loan units [8 (d), 10, 39]

1.5.1 Dividend and interest on investment instruments

This instrument offers linked loan units at an issue price of E1.00 per preference share, inseparably linked to an interest-bearing claim of E999.00.

Offered in this prospectus is a minimum of 10 linked loan units per application.

Returns on Class A investments are variable and may be adjusted by the Board of Directors from time to time within the minimum and maximum rates specified for each class of investment.

Dividends and interest on these investments are payable monthly on the last day of the calendar month. Dividends are calculated on the 20th of every month.

Dividend and interest earnings commence five days after the actual receipt of the capital; acceptance of the investment by the Company; and client verification and legislative compliance have been confirmed.

1.5.2 Capital growth investment instruments

This instrument offers linked loan units at an issue price of E1.00 per preference share, inseparably linked to an interest-bearing claim of E999.00.

Offered in this prospectus is a minimum of 10 linked loan units per application.

Zero rated linked loan units do not pay any interim rates, is fixed and will accrue in value over the investment period and be redeemed by the Company at the redemption value, on maturity.

No dividends or interest are paid on Class E investments. Capital growth on these investments commences five days after the actual receipt of capital; acceptance of the investment by the Company; and client verification and legislative compliance have been confirmed.

1.5.3 Conditions regarding linked loan units

All investment certificates that are issued will have a face value of E1 000.00 per linked loan unit. The rights, privileges and conditions attaching to all preference shares are fully described in Annexure 2.

1.5.4 Redemption of linked loan units

The Company will redeem all linked loan units on the maturity date and transfer the investment capital and any dividends or growth still outstanding to the linked loan unit holder, concluding the redemption of the linked loan units by the Company. If the Company has not called for the redemption of the linked loan units, either in part or in full, within two months after the investment maturity date, the linked loan unit holder is to notify the registered office of the Company in writing. The following redemption rates shall apply:

- Class A linked loan units will be redeemed at 100% of the face value five years after the date of issue; and
- Class E linked loan units will be redeemed at 200% of the face value five years after the date of issue.

Linked loan unit holders may not redeem early or migrate within the first three years of investment. After this three-year period, linked loan unit holders may redeem early or migrate their investments by giving three months' written notice to the Company in accordance with the terms and conditions which are set out in this prospectus.

1.5.5 Conversion of linked loan units

Conversion of linked loan units into ordinary shares is obligatory in the following events:

- Default by the Company on repayment of the capital on the redemption date; or
- Non-payment of 3 consecutive returns on the linked loan units by the Company.

In any of the above events, the linked loan unit holder will immediately notify the Company in writing. Upon such notification, all outstanding linked loan units, dividends, interest and capital shall convert into ordinary shares. The conversion rate into ordinary shares shall be calculated at the fair and reasonable price of the ordinary shares as determined by the auditors of the Company on the day of default.

If there is a change in any circumstances affecting the Company, which change, in the opinion of the directors, necessitates the consideration by any or all classes of linked loan unit holders of a restructuring of the shareholding of the Company, the Company shall be entitled to convene a meeting of any or all classes of shareholders at which meeting proposals will be considered, including but not limited to the early or partly redemption of linked loan units into ordinary shares or cash or a combination of ordinary shares and cash.

1.5.6 Options or preferential rights in respect of linked loan units

All linked loan units are secured against the assets of Ecsponent. Linked loan unit holders should note that investments are secured and not guaranteed.

Except as stated above, there is no other contract or arrangement, either actual or proposed, whereby any option or preferential right of any kind has been or will be given to any person to subscribe for any shares of Ecsponent.

1.5.7 Voting rights

Preference shares shall have limited voting power or voting rights attached to them. In the event of any material change to the rights of a class of preference shares, the holders of that specific class of preference shares shall be entitled to vote by way of special resolution. A minimum of 75% of the votes of the affected class of holders should be in favour of such change.

1.5.8 Variable rate and cumulative dividends

Dividends on all linked loan units are cumulative. The dividends and interest of each class of linked loan unit are variable and may be adjusted by the Board of Directors from time to time within the minimum and maximum rates stated below for each class:

- Class A linked loan units: dividend and interest rates are capped between 13% and 15%;
- Class E linked loan units are zero rated and pay no dividends or interest.

1.5.9 Resale of linked loan units

These investments should be regarded as a medium-term to long-term investment. The recommended investment period should not be less than the investment term.

Linked loan unit holders are obliged to redeem their linked loan units after the maturity date. However, they may sell their linked loan units before the maturity date of the investment. Should a linked loan unit holder wish to sell his linked loan units or a portion thereof, the introducing agent, advisor or Transfer Office will assist him wherever possible. Should a linked loan unit holder wish to sell his linked loan units, Ecsponent is not responsible for finding a suitable buyer.

Market-related commission that is applicable to the resale is payable by the linked loan unit holder. When a linked loan unit holder is able to sell privately, the Company charges an administration fee of 1%, calculated on the investment amount. However, it is the responsibility of the linked loan unit holder to find a suitable buyer for his or her linked loan units.

The resale must be channelled through Ecsponent Swaziland Limited, because all the linked loan unit holders must be approved by the Company.

1.5.10 Early redemption of linked loan units

No early redemption will be permitted within the first three years of investment. After three years, early redemption of invested capital before the redemption maturity date of any class of linked loan units is permitted by a linked loan unit holder subject to:

- the linked loan unit holder providing a written redemption notice of three calendar months;
- the Board of Directors being satisfied that the Company is compliant with the solvency and liquidity test, considering all reasonably foreseeable financial circumstances of the Company at that time; and
- an early redemption fee as levied by the Board of Directors applies.

A diminishing early redemption fee applies, which is structured as indicated below and which will be calculated on the date of notice given by the linked loan unit holder. All investments redeemed before the maturity date are subject to the appropriate tax legislation. The capital increase on capital-growth investments that are redeemed is subject to applicable income tax legislation and taxed accordingly.

The following early redemption fee is deducted from the original capital amount invested:

- Year four: 6%
- Year five: 4%

1.5.11 Migration of one class of linked loan unit to another

Moving an existing investment from one investment product to another within Ecsponent's product profile is only permitted after three years of the initial investment and by giving written notice of three months of intended migration. On the migration of an investment, the Company charges an administration fee of between 1% and 2%, calculated on the initial investment amount. This fee is to be paid in full by the linked loan unit holder on the date of the migration or will be deducted from the reinvested capital amount. The total value of the existing/original investment must be redeemed upon migration. It is not possible to migrate only a portion of an existing investment. The investment that is being migrated will be reinvested for the full period of the new investment product, commencing on the date of the migration. The Company will not pay commission or any fees to the agent, representative or advisor who provides the linked loan unit holder with this service.





1.6. Commissions paid or payable in respect of underwriting [14, 42, 45]

The Company has not paid any commission or consideration, other than in the normal course of business, preceding the date of this prospectus.

The Company has not entered into any promoter's agreement preceding the date of this prospectus.

This offer for subscription is not underwritten.

A success fee of 10% is payable to the Transfer Secretaries in respect of successful linked loan unit subscriptions procured for the purposes of this offer.

An initial, combined once-off administration fee of 2.5% is payable to the Corporate Advisor and Company Secretary and thereafter a monthly fee of 0.35% on the capital under management is levied and payable to the Company. These fees are discounted for in the financial information and will have no effect on the projected dividend payments on preference shares.

Success fees shall be paid by the Company and will not be deducted from the initial investment resulting in a 100% allocation for potential investors.

1.7. Material contracts [16, 40]

Ecsponent has not entered into any material contract outside the ordinary course of business during the two years preceding the date of this prospectus.

The Company is not subject to any management or royalty agreements. The Company has not paid any material technical or secretarial fees during the two years preceding the date of this prospectus.





1.8. Interest of directors and promoters [17, 41]

Save as disclosed in this prospectus, the directors of the Company have no interest in any of the transactions entered into by the Company during the current or preceding financial year and which remain in any respect outstanding or unperformed, save those disclosed in this prospectus.

The Company has made no material loans to any of its directors or managers and the Company has furnished no security on behalf of any of its directors or managers.

In the three years preceding this prospectus, no payment has been made, or is proposed to be made, in order to induce any person to become a director or otherwise for services rendered in connection with the formation or the promotion of Ecsponent.

In the three years preceding this prospectus, no director or promoter had any material interest, direct or indirect, in the promotion of the Company, or in any property proposed to be acquired by the Company out of the proceeds of the issue, nor in any property acquired by the Company.

The directors have no interests in material contracts or transactions other than that disclosed in this prospectus. Some of the directors are involved in the operation and promotion of the Company, as set out in this prospectus.

No service agreements exist between Ecsponent and any of its non-executive directors, which relationships are governed by the Memorandum and Articles.

At the date of this prospectus, the interests of the directors of Ecsponent who hold any of the issued ordinary share capital of Ecsponent are set out below:

Name	Beneficial		Non-beneficial	
	Direct	Indirect	Direct	Indirect
Ndumiso Mamba	-	-	-	-
Esther Magagula-Dlamini	-	-	-	-
Dr Anton Hay	-	-	-	-
Lindiwe Vilakati	80 000 000	-	-	-
Edwin Soonius	-	-	-	-

The directors of Ecsponent have, in aggregate, a direct and indirect beneficial interest of 90 000 000 ordinary shares, representing 12.86% of the issued ordinary share capital of the Company. The directors of Ecsponent have no direct and indirect non-beneficial interest in the issued ordinary share capital of the Company.

No changes in the interests of directors, other than those indicated above, have occurred between the incorporation of the Company and the date of this prospectus.

1.9. Loans [9]

At the date of this prospectus, Ecsponent has no authorised or issued loan capital other than those disclosed in this prospectus and the financial statements.

At the date of this prospectus, Ecsponent has made no loans or advances other than that disclosed in this prospectus. There are no loans to the directors of Ecsponent.

At the date of this prospectus, save for shareholders' loans, Ecsponent has not issued any other form of loan capital nor does it have any outstanding loan capital (including term loans), whether issued or created, but unissued; or other borrowings; or indebtedness in the nature of borrowings, including bank overdrafts and liabilities under acceptances or acceptance credits, hire purchase commitments, finance lease obligations, mortgages, charges, guarantees or other contingent liabilities.

The borrowing powers of the directors of the Company may only be varied by resolution, passed by the shareholders of the Company at a general meeting. Extracts from the Memorandum and Articles of the Company regarding the borrowing powers of the Company are set out in Annexure 1.

1.10. Preference shares/linked loan units issued otherwise than for cash [11]

It is recorded that no preference shares/linked loan units were issued or agreed to be issued, otherwise than for cash, by the Company since incorporation and up to the date of this prospectus.

1.11. Property acquired or to be acquired [6(e)(ii), 12]

Since incorporation of the Company and up to the date of this prospectus the Company did not acquire any fixed property nor does it plan to acquire any fixed property.

1.12. Amounts paid or payable to promoters [13]

There are no fees or benefits payable to any promoter of the Company.

1.13. Preliminary expenses and issue expenses [15, 21(a)(ii)]

An amount of E100 000.00 has been budgeted for the expenses of this offer on full subscription, excluding commissions.

These expenses are estimated and comprise the following:

- Printing, publishing and distribution costs: E30 000.00
- Fees payable to professional advisors: E20 000.00
- Marketing costs, advertising and promotional expenses: E30 000.00
- Contingencies: E20 000.00



Section 2

Details of the Offer

2.1. Purpose of the offer [7, 36]

The purpose of the offer is to expand the capital base of the Company and to enable investors and the general public to participate directly in the equity of the Company on a preferential basis.

2.2. Time and date of the opening and closing of the offer [19, 44]

The offer for subscription opens at 08:00 on 01 February 2018 and will close at 17:00 on 30 April 2018. In the event of full subscription, the Company reserves the right to close the offer before the closing date.

2.3. Particulars of the offer [8, 18, 43]

2.3.1 Issue price of the linked loan units in this offer

This instrument offers linked loan units at an issue price of E1.00 per preference share, inseparably linked to an interest-bearing claim of E999.00. The directors consider this price to be justified by the prospects of the Company.

2.3.2 What the offer comprises

The offer comprises an offer to the public to subscribe for 20 000 Class A and/or 20 000 Class E linked loan units at E1 000.00 per linked loan unit, secured by the assets of Ecsponent.

2.3.2.1 Application, in English, may be made by completing and submitting Annexure 3, namely the SHARE APPLICATION FORM that appears in this prospectus.

2.3.2.2 Applications must be for a minimum of 10

linked loan units and in multiples of 1 linked loan unit thereafter.

2.3.2.3 Applicants may not apply for more than the total number of linked loan units in this public offer. Ecsponent reserves the right to refuse any application in whole or in part, accept some applications in full and others in part, or to abate all or any applications on a basis determined by the Company.

2.3.2.4 All application forms, completed in accordance with the provisions of this prospectus and the instructions set out on the application form should be faxed to:

Ecsponent Swaziland Limited,
fax no: +27 86 432 3464 or

delivered to:

Ecsponent Swaziland Limited
7 The Gables
Ezulwini
Swaziland

sent by registered mail to:

Ecsponent Swaziland Limited
P.O. Box D9
The Gables, Ezulwini
Swaziland

together with proof of deposit or bank transfer.

All payments in support of an application for linked loan units should be deposited in or transferred to the following account:

Account Name: Ecsponent Swaziland Limited
Bank: First National Bank
Account Number: 62421880479
Currency: E
Branch Code: 280164
Branch Name: Matsapha
Swift Code: FIRNSZMX

- 2.3.2.5 Faxed confirmation and proof of payment is to be received by not later than the close of business on 31 May 2018. Applications will be regarded as complete only when the cheque or banker's draft has been cleared; client verification and legislative compliance has been confirmed; and approval by the Company has been given.
- 2.3.2.6 Applications with confirmed payment are irrevocable and, once submitted, may not be withdrawn without the written consent of Ecsponent. Applicants will be allowed 5 days from the signing of the application form to cancel the agreement, which must be done in writing and submitted to the registered offices of Ecsponent prior to the close of this five-day cooling-off period. Should the applicant cancel the agreement thereafter, for any reason, and

before the linked loan units are issued in the name of the applicant, a cancellation fee of 12% of the capital investment will be forfeited by the applicant.

- 2.3.2.7 Receipts will not be issued for applications, payments or any supporting documents that accompany applications. Confirmation of acceptance of investments will be done via electronic medium and copies of the agreement and investment certificates will be posted.
- 2.3.2.8 Application monies shall be held in the above bank account until such time that the applications received for linked loan units have been reconciled with the deposits cleared on the bank statement. The processing of applications for linked loan units will be attended to and investment certificates issued only after the five-day cooling-off period has closed.
- 2.3.2.9 Applications and the allotment of linked loan units shall be treated strictly on a "first come, first served" basis.
- 2.3.2.10 Upon the acceptance of an application, Ecsponent will immediately procure the first allotment and issue of the linked loan units concerned into the name of the relevant applicant.
- 2.3.2.11 In the event that any application is accepted for a lesser number of linked loan units than applied for, the excess amount will be refunded to the investor. This amount will be paid by electronic transfer into the bank account that is stated in the application form, at the applicant's risk of such non-fulfilment, on or about 31 May 2018.
- 2.3.2.12 Investment certificates/statements will be posted by mail at each applicant's risk and request. All original investment certificates and a record thereof will be retained and maintained electronically. It is Company policy to communicate electronically with investors, wherever possible.

2.4. Minimum subscription [21(a)(ii)]

In the opinion of the directors, the minimum amount to be raised from all investors in terms of this offer is E100 000.00.

If the minimum amount is not raised, the Company will pay all preliminary expenses listed in paragraph 1.13 out of its existing working capital and repay all monies raised from investors free from any commissions or fees.

All amounts raised will be utilised to extend the funding and provide for the further working capital of the Company, as stated in the forecast financial statements in the prospectus. The Company expects to raise the full amount offered in this prospectus.



Section 3

Statements and reports relating to the offer

3.1. Adequacy of capital [22]

The directors of the Company are of the opinion that the working capital resources of Ecsponent prior and pursuant to this offer is sufficient for Ecsponent's present requirements, that is for a period of at least 12 months from the date of issue of this prospectus.

3.2. Listing statement [23]

The Company's shares are not currently listed on any stock exchange nor did it apply for the listing of its shares on any stock exchange under Section 153 of the Act.

3.3. Auditor not qualified to make reports [28]

It is recorded that the reporting auditor is at the date of this prospectus not a director, officer or employee or a partner of, or in the employment of a director, officer or employee of the Company or holding company of the Company, or any other subsidiary of the holding company.

3.4. Report by auditor when a business undertaking is to be acquired [26, 47]

Save as disclosed in this prospectus, no proceeds of this offer or any part of the proceeds of the issue of securities or any other funds are to be applied directly or indirectly in the purchase of any business undertaking.

3.5. Report by auditor where body corporate will become a subsidiary [27, 48]

Save as disclosed in this prospectus, no proceeds of this offer or any part of the proceeds of the issue of securities or any other funds have been, or are to be applied directly or indirectly in the foregrounding that a body corporate will become a subsidiary of the Company.

3.6. Report by the auditor of the Company [25(1)(a), (2)(a)(b), (4)]

No annual financial statements were made out in respect of any part or period of five years ending on the date three months before the issue of this prospectus

Section 4

Additional material information

4.1. Property disposed or to be disposed of

No material property has been disposed of by Ecsponent since incorporation of the Company to the date of this prospectus, nor will any such property be disposed of in the foreseeable future.

4.2. Litigation statement

Ecsponent is currently not involved in any disputes, nor any legal or arbitration proceedings outside the normal course of business, nor are the directors of Ecsponent aware of any proceedings that are pending or threatened, which may have or have had, in the twelve-month period preceding the date of this prospectus, a material effect on the financial position of Ecsponent.

4.3. Exchange control regulations

The following summary is intended as a guide and is therefore not comprehensive. If the reader should have any doubt in regard thereto, he should consult his professional advisor.

Applicants resident outside the area of Swaziland:

- 4.3.1 A person who is not resident in Swaziland should obtain advice on whether any governmental and/or legal consent is required and/or whether any other formality should be observed to enable a subscription to be made in terms of the placement.
- 4.3.2 This prospectus does not represent an offer in any area of jurisdiction in which it is illegal to make such an offer. In such circumstances, the prospectus and application forms are forwarded for information purposes only.
- 4.3.3 Investment certificates that are issued to non-residents of Swaziland will be endorsed "non-resident".

4.4. Government protection

There is no government protection or investment encouragement law affecting Ecsponent.

4.5. Advisors' interest

None of the advisors, in their capacity as advisors, whose names are set out in the prospectus, hold or have agreed to acquire any linked loan units in the Company at the date of this prospectus.

4.6. Consents

Each of the parties listed under Corporate Information on page 3 has consented in writing to act in the capacities stated and to their names appearing in this prospectus and have not withdrawn their consent prior to the publication of this prospectus.

The reporting accountant has consented in writing to have their reports appear in the prospectus in the form and context as they appear and have not withdrawn their approval prior to the publication of this prospectus.

4.7. Directors' responsibility statement

The directors, whose names are provided in paragraph 1.2 of this prospectus, accept full responsibility, collectively and individually, for the accuracy of the information provided and certify that, to the best of their knowledge and belief, there are no other facts of which the omission would make any statement herein false or misleading, have made all reasonable enquiries to ascertain such facts and the prospectus contains all information required by law.

4.8. Documents available for inspection

Copies of the following documents will be available for inspection at the registered offices of Ecsponent at any time during business hours on weekdays until and including ten (10) business days after the closing date of the prospectus:

- The Memorandum and Articles of Ecsponent Swaziland Limited; and
- The written consent of the reporting accountant, attorneys, bankers that are named in this prospectus to act in those capacities.

Section 5

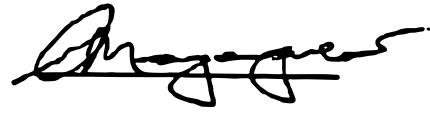
Paragraphs of schedule 2 to the act which are not applicable [50]

2(b), (d), 5, 6(a)(ii)(iii)(iv), (d), (e)(i), (f), (g), (h), 8(e), 12, 13, 14, 16, 20, 21(a)(i)(iii)(iv)(v), (b), 24, 25(1)(b), (3), 26, 27, 28, 36(a), (b), (c), (d), 38, 40, 42, 45, 46, 47, 48.

Thus done and signed by all the directors at EZULWINI on 29 JANUARY 2018.



N C Mamba
Non-Executive Director
Chairman



E N Magagula-Dlamini
Non-Executive Director
Vice Chair



Dr A Hay
Non-Executive Director



E J Soonius
Director



L A Vilakati
Director



Annexure 1

Directors and management

The Memorandum and Articles of the Company provide as follows:

1.1 Appointment of directors and managing directors

71. The number of the directors shall not be less than two (2) and the names of the first directors may be determined in writing by a majority of the subscribers of the memorandum. Until directors are appointed, whether or not the directors have been named by a majority of the subscribers of the memorandum, every subscriber of the memorandum shall be deemed for all purposes to be a director of the Company.
73. A director shall, unless he retires on his own volition or is removed or becomes disqualified by virtue of the provisions of the Act or these regulations from holding office, hold office indefinitely.
74. The directors shall have the power to, at any time and from time to time, appoint any person to be director either to fill a casual vacancy or as addition to the existing directors but so that the total number of directors shall not at any time exceed the number as approved to hold office by the members at a general meeting.
75. In the event of a vacancy or vacancies in the Office of a director or offices of directors, the remaining directors may act but, if the number of remaining directors is not sufficient to constitute a quorum at a meeting of directors, they may act only for the purpose of increasing the number of directors to a number sufficient to constitute such a quorum or of convening a general meeting of the Company.
77. In addition and without prejudice to the provision of the Act, the Company may, at any time, by special resolution remove any director from office and may, by ordinary resolution, appoint another director in his stead and may, without prejudice to the powers of the general meeting, also, at any time, appoint any person to be a director either to fill a casual vacancy or as an additional director.
78. A director of a company may be or become a director or other officer of, or otherwise hold an interest in any company promoted by the Company or in which the Company may be interested as shareholder or otherwise, and no such director shall be accountable to the Company for any remuneration or other benefits received by him as director or

officer of, or from his interest in, such other company.

80. Each director shall have the power to nominate any person who is a shareholder of the Company except where the Company is a wholly owned subsidiary, when such person need not be a shareholder) possessing the necessary qualifications of a director, to act as alternate director in his place during his absence or inability to act as such director, provided that the appointment of an alternate director shall be approved by the board, and on such appointment being made, the alternate director shall, in all respects, be subject to the terms, qualifications, and conditions existing with reference to the other directors of the Company.
86. The directors may from time to time appoint one or more of their body to the Office of managing director or manager for such term and at such remuneration (whether by way of salary or commission or participation in profits, or partly in one way and partly in another) as they may think fit and a director so appointed shall not, while holding such office, be subject to retirement by rotation, or taken into account in determining the rotation retirement of the directors, but this appointment shall determine ipso facto if he shall cease from any cause to be a director, or if the Company in general meeting shall resolve that his tenure of the Office of managing director or manager be terminated.

1.2 Qualification of directors

79. The Company may by ordinary resolution fix a share qualification for directors, but unless and until a qualification is so fixed, there shall be no share qualification.

1.3 Borrowing powers of directors

47. The directors may at their discretion, from time to time, raise or borrow from the members or other persons any sum or sums of money for the purposes of the Company in any amount they see fit.
48. The directors may raise or secure the payment of such moneys in such manner and upon such terms and conditions in respect as they think fit, and in particular by the execution of mortgage bonds and the issue of debentures or debenture stock of the Company charged upon all or any part of the property and rights of the Company, both present and future, including its uncalled capital.

49. If any uncalled capital of the Company is included in or charged by any mortgage bond or other security, the directors may delegate to any person as trustee for the person in whose favour the mortgage bond or security is executed, the power to make calls on members in respect of such uncalled capital, and to sue in the name of the Company or otherwise for the recovery of the moneys becoming due in respect of calls so made and to give valid receipts for such moneys, and the power so delegated shall subsist during the continuance of the mortgage bond or security, notwithstanding any change in the directors, and shall be assignable if expressed so to be.

1.4 Remuneration of directors

72. The directors, (other than those directors whose remuneration is determined by agreement between the director and the Company), shall be entitled to such remuneration as shall, from time to time, be determined by the Company in the general meeting and in addition to such remuneration, the directors shall be paid all travelling, hotel, and other expenses properly incurred by them provided that such travelling, hotel or other expenses have been approved by the members, either in general or in respect to the specific event for which such expenses have been incurred and such relating to:
- (a) the attending and returning from meetings of the board of directors, or any committee, or sub-committee thereof; or
 - (b) the business of the Company.
78. A director of a company may be or become a director or other officer of, or otherwise hold an interest in any company promoted by the Company or in which the Company may be interested as shareholder or otherwise, and no such director shall be accountable to the Company for any remuneration or other benefits received by him as director or officer of, or from his interest in, such other company.
86. The directors may from time to time appoint one or more of their body to the Office of managing director or manager for such term and at such remuneration (whether by way of salary or commission or participation in profits, or partly in one way and partly in another) as they may think fit and a director so appointed shall not, while holding such office, be subject to retirement by rotation, or taken into account in determining the rotation retirement of the directors, but this appointment shall determine ipso facto if he shall cease from any cause to be a director, or if the Company in general meeting shall resolve that his tenure of the Office of managing director or manager be terminated.





Annexure 2

Rights, Privileges and Conditions Attaching to Preference Shares and Linked Loan Units

The features of the preference shares are set out below. The following does not purport to be exhaustive of the provisions of the preference shares of the Company and may be amended by the directors of the Company from time to time.

1. Linked unit or linked loan unit

An indivisible unit in the capital of the Company comprising of shares and claims, issued by the Board of Directors of the Company.

2. Claim

A secured or unsecured loan or debt instrument offered, embodying the terms and conditions of the debt instrument including the Company's obligation to pay dividends and/or interest paid or unpaid.

3. Linking and unlinking

- 3.1 Until the Company unlinks the Linked Loan Units (that is, separates the claims from the shares), claims shall only be issued in combination with shares as Linked Loan Units.
- 3.2 No Linked Unit Holder may deal with any claim separately from the share making up the Linked Loan Unit and the Company may not register any issue or transfer of any claim or share separately from the claim or share comprising a Linked Loan Unit.
- 3.3 If there is a change in any circumstances affecting the Company, which change, in the opinion of the Board of Directors, necessitates the consideration by the Linked Loan Unit Holders of a restructuring of the share and claim holding of the Company, the Company shall be entitled to convene a meeting of Linked Loan Unit Holders at which proposals will be considered, including the unlinking of the Linked Loan Units and/or the conversion of the Linked Loan Units into ordinary shares, preference shares or any other capital restructuring which may be appropriate, in order to preserve the existing rights of Linked Unit Holders.

4. Dividends

- 4.1 The Holders of all classes of variable rate preference shares shall be entitled to receive out of profits of the Company a cumulative preferential dividend, at a variable rate, which rate may be determined by the Directors from time to time and the said dividend shall be preferential to any dividend on shares not ranking *pari passu* with the classes of preference shares.

The Holders of all classes of zero rate preference shares shall be entitled to receive out of profits of the Company a cumulative preferential dividend, at a zero rate.

5. Variable rate

- 5.1 The dividend rates attached to each class of preference shares are variable and may be adjusted by the Board of Directors from time to time within the minimum and maximum rates stated for each class of preference share.

The minimum and maximum dividend rates stated for each class of preference share Holders may only be adjusted by way of a special resolution.

6. Redeemable

- 6.1 All classes of preference shares are redeemable at the redemption date specified for each class of preference share.
- 6.2 The preference shares shall be redeemable and only be redeemed at the discretion of the Directors of the Company, who may determine the date(s) on which and the manner in which the preference shares are to be redeemed, provided that the amount payable upon such redemption shall be the stated capital, premium and any dividends still outstanding to the preference shareholder, if any, as attached to each preference share.
- 6.3 The Company will redeem each preference shares on the maturity date and transfer the stated capital, premium any dividends still outstanding to the preference shareholder, concluding the redemption of the preference shares by the Company.
- 6.4 If the Company has not called for the redemption of preference share, either in part or in full, within 2 (two) months after the redemption maturity date, the preference shareholder is to notify the registered office of the Company in writing.
- 6.5 Early redemption before the redemption maturity date of any class of preference share is permitted by a preference shareholder subject to:
- 6.5.1 the preference shareholder is giving a written redemption notice of three calendar months;
- 6.5.2 an early redemption fee as levied by the Board of Directors applies; and

6.5.3 the Board of Directors is satisfied that the Company is in compliance with the solvency and liquidity test in terms of the Act, considering all reasonably foreseeable financial circumstances of the Company at that time.

6.6 If there is a change in any circumstances affecting the Company, which change, in the opinion of the Directors, necessitates the consideration by any or all classes of preference shareholders of a restructuring of the shareholding of the Company, the Company shall be entitled to convene a meeting of any or all classes of shareholders at which meeting proposals will be considered, including but not limited to the early or partly redemption of preference shares into Ordinary shares or cash or a combination of Ordinary shares and cash.

7. Convertible

7.1 Conversion of all classes of preference shares into ordinary shares is obligatory if the Company fail to rectify a default in terms of article 7.1.1 or 7.1.2 below within three months after a preference shareholder notified the registered office of the Company in writing of such default on any of the following events:

- 7.1.1 default by the Company on repayment of the capital on the redemption maturity date; or
- 7.1.2 non-payment of three consecutive dividends on any class of preference share of the Company.

7.2 Upon date of conversion all outstanding preference shares, stated capital, premium and any dividends still outstanding to the preference shareholders shall convert into ordinary shares.

7.3 The conversion rate into Ordinary shares shall be calculated at the fair and reasonable price of the Ordinary shares as determined by the auditors of the Company on the day of default.

7.4 If there is a change in any circumstances affecting the Company, which change, in the opinion of the Directors, necessitates the consideration by any or all classes of preference shareholders of a restructuring of the shareholding of the Company, the Company shall be entitled to convene a meeting of any or all classes of shareholders at which proposals will be considered, including the conversion of preference shares into ordinary shares to preserve the existing rights shareholders.

8. Cumulative

The dividends attached to each class of preference shares are cumulative with the Company's obligation to pay unpaid dividends before paying or declaring any new dividends.

9. Voting rights

The preference shares shall not confer to the Holders thereof the right to vote at any meeting of the Company, unless:

9.1 at the date of convening the meeting, their dividend or redemption payment shall be in arrear and unpaid for a period of three months (to be computed from the last day

upon which the preference dividend or redemption payment ought to have been, but was not paid); or

9.2 the meeting is convened with the object of passing any resolution which directly affects any of the rights attached to such shares or the interest of the Holders thereof; or

9.3 decided by the Board of Directors to include, classes or Holders of preference shares as provided for in the Act and the Articles.

10. Rights on winding up

The Holders of preference shares shall have the right, on the winding-up of the Company, in priority to any payment in respect of the Ordinary shares in the capital of the Company, to receive the return of paid up capital and share premium, if any, on the preference shares. In the event of there being any surplus on a winding-up or liquidation, the preference shares shall not share *pari passu* in such surplus with the Ordinary shares in the share capital of the Company.

11. Notices

The Holders of preference shares shall be entitled to receive notices of and attend any general/annual meeting of the Company, but would only be entitled to vote at such meeting under the circumstances set out in articles 6 and 9 hereof.

12. Preference shares

12.1 The Company may from time to time issue preference shares which are or at the option of the Company are liable to be redeemed or by special resolution convert any of its preference shares into such redeemable shares.

12.2 The Company may in its sole discretion determine that all its preference shares or some thereof are to be secured preference shares provided that should the Company issue secured preference shares such shares shall subject to the further provisions of this Articles governing such shares, remain secured unless redeemed or converted as provided for.

12.3 In the event that the Articles is silent in respect to any aspect pertaining to secured preference shares but this Articles contain provisions that necessarily or by direct implication are also to apply to secured preference shares in general or a specific class of secured preference shares in particular, such provisions are to apply, to the extent that such application shall not be in contravention of the Articles.

12.4 All redeemable preference shares in the capital of the Company (herein after referred to as "the preference shares"):

- 12.4.1 shall not be entitled to any participation in the profits or assets of the Company; or
- 12.4.2 on a winding up, to any participation in any surplus assets of the Company.

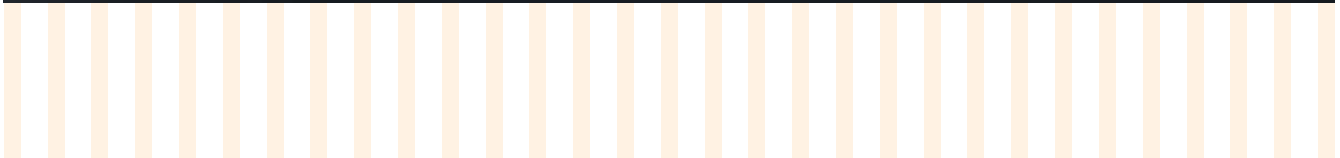
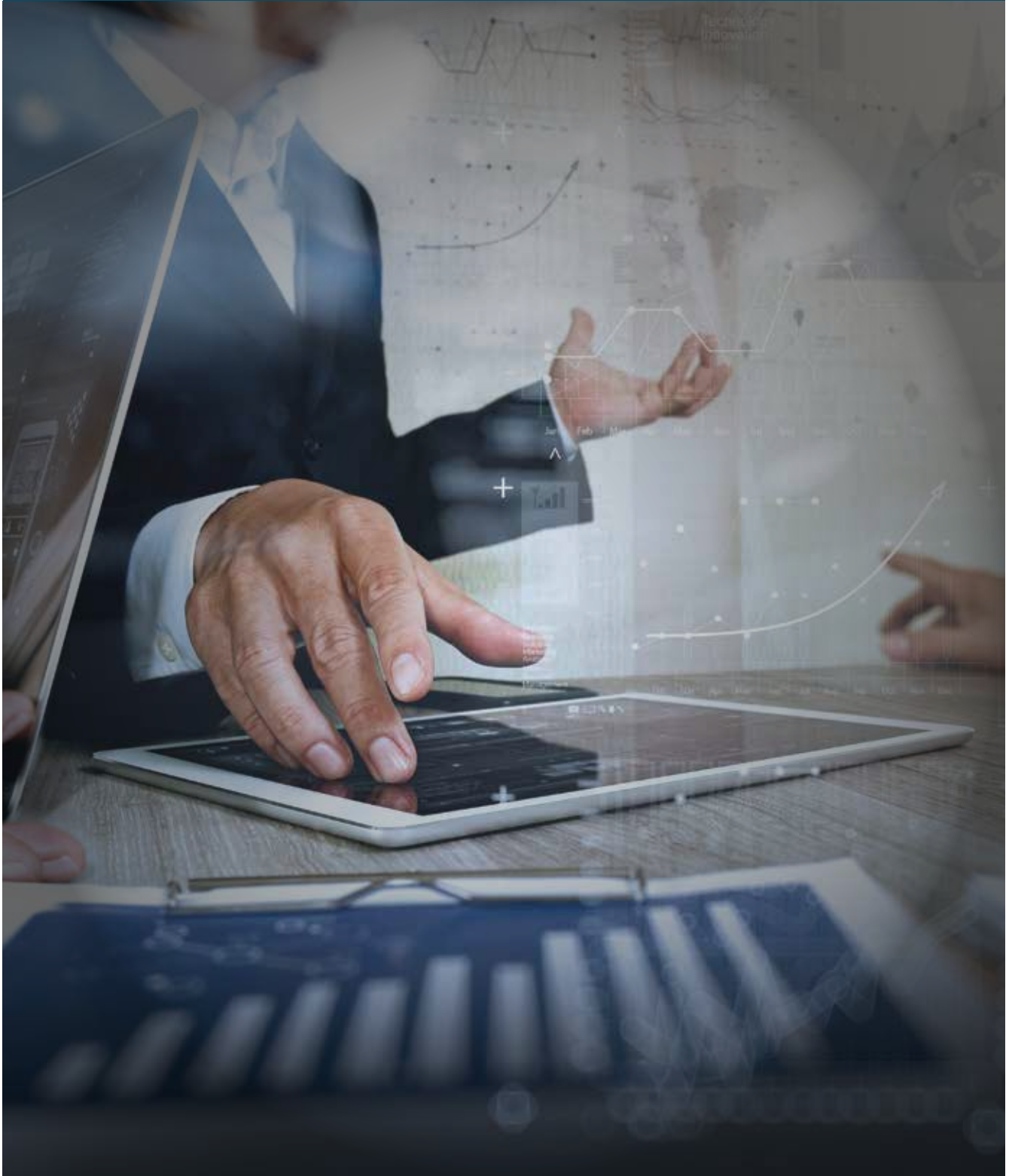
12.5 The preference shares shall confer on the holders thereof the right to receive such a cumulative preferential cash dividend out of the distributable profits of the Company as the Board of Directors may decide on from time to time ("the preference dividend"), or out of the proceeds of a fresh issue of shares made for the purposes of redemption.

- 12.6 Preference dividend shall be deemed declared if there are sufficient profits in the Company and it reasonably appears that the Company will satisfy the solvency and liquidity test immediately after completing the proposed distribution.
- 12.7 The preference dividend shall be due and payable monthly in arrears on or before the 7th (seventh) day of each month in respect of the immediately preceding month.
- 12.8 In respect of the initial period the first preference dividend shall be calculated from the date of allotment to the last day of the month during which the preference shares have been issued. Thereafter preference dividend will be calculated in respect of monthly periods ending on the last day of each month.
- 12.9 The preference share shall confer the right of preference on winding-up of the Company to the holders of the ordinary shares and the holders of any other shares in the capital of the Company not ranking *pari passu* with the preference shares to the extent that:
- 12.9.1 to repayment of an amount equal to the sum of preference shares; and
- 12.9.2 any arrears in the preference share and any arrears in the preference dividends, whether declared or not and whether or not there shall have been profits available for the payment of dividends or arrear dividends to the holders of the preference shares, calculated on the date of payment.
- 12.10 The holders of the preference shares shall not be entitled to be present or to vote, either in person or by proxy, at any meetings of the Company, unless any one or more of the following circumstances prevail at the date of such a meeting namely –
- 12.10.1 if the redemption payment or the preference share dividend, or any part thereof, whether declared or not, remains in arrears and unpaid after a period of five months from the due date thereof;
- 12.10.2 if a resolution of the Company is proposed which directly affects the rights attached to the preference shares or the interests of the holders thereof, including a resolution:
- 12.10.2.1 for the winding-up of the Company; or
- 12.10.2.2 for the payment of or non-distributable reserves of the Company; or
- 12.10.2.3 for the issue of capitalisation shares, except in such a manner as is permitted by the Articles. The rights and privileges attaching to the preference share shall not be regarded as being directly or adversely effected by the creation and issue by the
- Company of any further shares of any class, unless those new shares rank as regards participation in assets or profits of the Company in all or some respect in priority to or in *pari passu* with the preference shares; or
- 12.10.3 if a resolution of the Company is proposed for the disposal of the whole or substantially the whole of the undertaking of the Company, all or the whole or the greater part of the assets of the Company which shall include a resolution of the Company for the disposal of the undertaking or assets of a subsidiary of the Company, if such undertaking or assets constitute the whole or substantially the whole of the undertaking or assets of the Company and all of its subsidiaries considered as one entity for this purpose.
- 12.11 At every meeting of the holders of the preference shares, the provisions of the Company's Articles relating to shareholders meetings of ordinary members shall apply *mutatis mutandis*, except that a quorum of any such general meeting shall be any person or persons holding or representing by proxy at least 25% (twenty five percent) of the preference shares, provided that any adjournment of such meeting, a quorum is not present, the provisions of the Company's Articles relating to adjourned shareholders meetings shall apply *mutatis mutandis*.
- 12.12 At every shareholders meeting of the Company at which the holders of the preference share as well as other classes of shares are present and entitled to vote, upon a poll of the holders of the preference shares, shall be entitled to one vote per preference share.
- 12.13 Notwithstanding the provisions of paragraph 13.7:
- 12.13.1 preference shares may not be modified, altered, varied, added to or abrogated; or
- 12.13.2 no shares of the Company ranking *pari passu* with the preference shares' rights, dividends, redemption or capital distribution on winding up or voting rights, shall be created or issued without:
- 12.13.2.1 the prior written consent of the holders of the preference shares; or
- 12.13.2.2 the prior sanction of a resolution passed at a separate class meeting of the holders of the preference shares in the same manner *mutatis mutandis* as a special resolution.

- 12.14 Should any cheque in respect of a preference dividend or repayment of capital not be cashed, the Company shall retain that amount until it is claimed by the person entitled thereto, provided that all monies which remain unclaimed for a period of 6 (six) months shall be forfeited to the Company.
- 12.15 Payment in respect of preference dividends and any other payment shall be made by cheque in Emalangenzi currency sent by registered post at the risk of the registered holder to his address as recorded in the securities register.
- 13. Redemption of preference shares**
- 13.1 The Company may redeem the preference shares upon request by the shareholders on approval by the Board of Directors.
- 13.2 The preference shares, when redeemed by the Company, will be redeemed at a value which is determined by a formula approved by the Board of Directors and available to the shareholder upon request, which value shall not be less than the determined current value of the Company's shares.
- 13.3 The redemption amount shall be determined with reference to the number of preference shares being redeemed, and any preference dividends (including any which are in arrears) accrued up to the date fixed for the redemption, but not yet paid by the Company.
- 13.4 The Company will pay the redemption amount to the registered holder of a preference share(s) upon surrender of the certificate(s) in the event of a certificated preference share(s) or upon removal from the uncertificated securities register in the event of uncertificated preference share(s) and at the time and place as determined by the Company.
- 13.5 Should the shares being surrendered includes any preference shares not being redeemed on the occasion, then:
- 13.5.1 in the event of a certificated preference share, a fresh certificate for the balance of the preference shares not being redeemed shall be issued free of charge to the registered holder (or his duly authorised agent); or
- 13.5.2 in the event of an uncertificated preference share, an adaptation in the uncertificated securities register must be made to the effect that it reflects the balance of the preference shares hold by the registered holder.
- 13.6 The holders of the preference shares have the right to subscribe for further redeemable preference shares.
- 13.7 In terms of article 13.6 the Company will pass the necessary special resolution to provide for the rights and privileges awarded to such further redeemable preference shares, which rights and privileges will *mutatis mutandis* be those set forth in these conditions.
- 13.8 Should the holder of preference shares not claim his redemption money, the Company cannot be held liable for any interest calculated on the unclaimed amount.



Annexure 3



Investor Information (hereafter the applicant)

Title (if natural person): _____

Surname or name of company/trust/CC: _____

First names or name of company MD/trustee/CC: _____

ID number or reg. no. of company/trust/CC: _____

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Postal address: _____

Residential address: _____

Work number: _____

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Fax number: _____

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Cell number: _____

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Email address: _____

Whereas the Applicant hereby confirms his/her intention to participate in the share capital of the company by purchasing linked loan units in Ecsponent Swaziland Limited in accordance with the invitation extended to the Applicant in the prospectus, a copy of which has been handed to the Applicant, and the Applicant hereby acknowledges that he/she knows and understands the contents thereof.

Now therefore:

1. I/We the undersigned Applicant confirm that I/we have full legal capacity to contract and do hereby irrevocably apply for the allotment to me/us of the under-mentioned number of linked loan units in the shareholding of the company, subject to the Memorandum and Articles of the company.
2. The Applicant confirms that no act, representation, guarantee or warranty of any nature whatsoever has been made or given to him/her by the Company, save as set out in the prospectus. The Applicant's signature to this agreement shall be deemed to supersede all previous verbal or written agreements between him/her and the company or its agent or any of their representatives.
3. Transfer or issue of the linked loan units into the name of the Applicant will take place within seven working days after all compliances have been fulfilled and the investment accepted by the company.
4. The Applicant shall have five days from the signing of this application to cancel the agreement, which cancellation must be done in writing and submitted to the registered offices of Ecsponent prior to the close of this five-day cooling-off period. Should the Applicant, for any reason, cancel the agreement thereafter and before the linked loan units are issued into the name of the Applicant, a cancellation fee of 12% of the capital investment shall be forfeited by the Applicant.
5. The Applicant shall not have the right to redeem or migrate his/her linked loan units in the first three years of investment, thereafter the Applicant may early redeem or migrate before the end of the investment period, by giving three calendar months' written notice to the company.
6. The Applicant hereby declares that his/her personal particulars stated in this application are correct and that he/she has provided the following:
 - copy of ID/Passport;
 - proof of residential address;
 - copy of or cancelled cheque/ bank statement;
 - copy of company/CC registration documents, trust deed, Memorandum and Articles; and
 - any other document required by the company.
7. The Applicant hereby undertakes to inform the company timeously in writing of any change affecting his/her status or of any change in beneficiary or disbursement instructions. The company does not accept any responsibility for any incorrect disbursement payments made in this regard.
8. **The Applicant hereby declares that the source of the income/funds to be invested is the following:**

9. Disbursement Instructions Regarding Applicant's Account

The Applicant hereby instructs the company to pay the interest, dividends and capital or any other funds due to the Applicant into the following account (only current/transmission/savings accounts can be processed)

Name of account holder: _____

Bank name: _____

Branch name: _____

Branch code: _____

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Bank account no.: _____

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Signature of applicant

Signature of representative



Invest with us



Ecsponent Limited Head Office

Fintech Campus
Corner of Botterklapper and Ilanga streets,
The Willows, Pretoria, Gauteng
+27 87 808 0100
+27 86 432 3459
info@ecsponent.com
Registration no. 1998/013215/06

Swaziland

7 The Gables
Ezulwini
Swaziland
H106
+268 241 71615
+27 86 432 0684
swaziland@ecsponent.com

ecsponent.com