



Transaction Capital Limited
(Incorporated in the Republic of South Africa)
Registration number: 2002/031730/06
JSE share code: TCP
ISIN: ZAE000167391
("Transaction Capital")

TRANSACTION CAPITAL RAISES R665M IN INAUGURAL NOTE ISSUE FOR TRANSSEC (RF) LTD

Transaction Capital is pleased to announce the successful inaugural note issue under the newly established asset-backed note programme (the "Programme") of Transsec (RF) Ltd ("Transsec"). Transsec is a special purpose securitisation entity established as a standalone issuer approved by the South African Reserve Bank to facilitate the ongoing issuance of rated and listed debt securities for the SA Taxi Group ("SA Taxi") (part of the Asset Backed Lending division of Transaction Capital) thereby augmenting its funding platform and offering to the market.

SA Taxi has once again enjoyed strong support from the capital markets and the favourable terms of this transaction constitutes, in part, an acknowledgement by our institutional debt investors of the significant strides made by SA Taxi in enhancing its unique and developmental business model.

R665m of listed notes were issued under Transsec's R4 billion Programme on the interest rate platform of the JSE. The notes were issued to fund a portfolio of instalment sale agreements advanced to minibus taxi operators and were rated by international rating agency, Standard and Poor's Rating Services. The Programme was jointly arranged by the debt capital markets team of Transaction Capital and The Standard Bank of South Africa Limited.

Six tranches of notes were offered to the market ranging from zaAAA (sf) rated senior notes to unrated junior notes. Key highlights of this transaction include:

- 1) a total of R1.006bn worth of bids was received during the auction process;
- 2) the weighted average cost of funding in Transsec is 226 basis points over 3 month JIBAR;
- 3) a total of 11 institutional investors participated across all tranches of notes offered; and
- 4) of the 11 investors who participated, six investors are new funders to SA Taxi.

The successful launch of the Programme represents continued progress towards Transaction Capital's stated funding philosophy of diversification of funders and funding products as well as the improvement of its cost of funding.

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Programme Sponsor: The Standard Bank of South Africa Ltd

Sponsor Deutsche Securities (SA) Proprietary Limited