



**TRANSACTION CAPITAL LIMITED**

(Incorporated in the Republic of South Africa)

(Registration No. 2002/031730/06)

ISIN: ZAE00167391

JSE share code: TCP

("Transaction Capital" or the "Company")

**UPDATE ON TERMS ANNOUNCEMENT RELATING TO THE ACQUISITION OF PAYCORP HOLDINGS PROPRIETARY LIMITED (REGISTRATION NO. 2000/020217/07) ("PAYCORP") BY MAIN STREET 1127 PROPRIETARY LIMITED (REGISTRATION NO. 2013/077630/07) ("NEW HOLDCO")**

On 7 August 2013 the Company announced on SENS that it had entered into a written agreement (the "**Agreement**") with Paycorp, New Holdco (a subsidiary of Actis Columbus (Mauritius) Limited, the shares of which are held by funds managed by Actis LLP ("**Actis**")) and Main Street 1126 Proprietary Limited, a wholly owned subsidiary of New Holdco, pursuant to and in terms of which Paycorp will, subject to the fulfilment or waiver of the conditions precedent contained in the Agreement, become a wholly owned subsidiary of New Holdco (the "**Proposed Transaction**").

**Categorisation of Proposed Transaction**

At the time of the terms announcement, the Company was in discussion with the JSE Limited (the "**JSE**") regarding the categorisation of the Proposed Transaction in terms of the Listings Requirements of the JSE. These discussions have now been finalised and the Company advises as follows:

1. Based on the consideration of approximately R937 million to be received by the Company pursuant to the Proposed Transaction, the Proposed Transaction has been confirmed as a Category 2 transaction in terms of the Listings Requirements of the JSE.
2. Certain of the key management and senior executives of Paycorp are co-investing with Actis in New Holdco, and their investment will collectively comprise approximately 20% of the issued share capital of New Holdco.

These key management and senior executives include four executive directors of Paycorp, one of whom is also a director of the Company (collectively referred to as

the "**Executives**"). The Executives were not involved in the negotiations between the Company and New Holdco in determining the sale price and terms of the Agreement embodying the terms and conditions of the Proposed Transaction, and the Company is not aware of the terms of the agreement/s between the Executives and New Holdco.

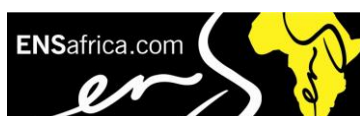
Based *inter alia* on the aforementioned facts, the JSE has ruled that the Proposed Transaction is not a related party transaction or a small related party transaction in terms of the Listings Requirements of the JSE.

### **Approval by Competition Commission**

The Competition Commission has granted unconditional approval for the Proposed Transaction.

Shareholders will be advised when all other conditions precedent have been fulfilled.

Johannesburg  
30 August 2013



Legal advisors to Transaction Capital:  
Edward Nathan Sonnenbergs Inc.



Sponsor to Transaction Capital:  
Deutsche Securities (SA) Proprietary Limited



Independent Expert to board of directors of Transaction Capital:  
Grant Thornton Advisory Services Proprietary Limited



Independent auditors and reporting accountant on the unaudited *pro forma* financial information of Transaction Capital:

Deloitte



Tax advisors to Transaction Capital:

Werksmans

**WEBBER WENTZEL**

in alliance with > **Linklaters**

Legal and tax advisers to Actis and New Holdco:

Webber Wentzel