

## THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The definitions and interpretations set out on pages 5 to 12 of this Circular apply *mutatis mutandis* to this section.

If you are in any doubt as to the action you should take, please consult your Broker, CSDP, banker, accountant, legal adviser or other professional adviser immediately.

### Action required by Shareholders

- If you have disposed of all your Shares this document should be handed to the purchaser of such Shares or the Broker, CSDP, banker or other agent through whom such disposal was effected.
- A General Meeting will take place at 230 Jan Smuts Avenue, (Corner Bompas Road), Dunkeld West, Johannesburg at 09:00 on Thursday, 20 October 2016 or any other adjourned or postponed date and time determined in accordance with the provisions of section 64(11) of the Companies Act, as read with the Listings Requirements, for Shareholders to vote on the Transaction and the TCP Conditional Share Plan.
- If you are a Certificated Shareholder or an Own-Name Dematerialised Shareholder and are unable to attend the General Meeting and wish to be represented thereat you are requested to complete and return the attached Form of Proxy (*blue*) for Certificated Shareholders and Own-Name Dematerialised Shareholders to the Transfer Secretaries, to be received by no later than 09:00 on Wednesday, 19 October 2016. Proxy Forms not lodged with the Transfer Secretaries may be handed to the chairperson of the General Meeting before the proxy exercises the voting rights of the Shareholder at the General Meeting.
- TCP Shareholders who have Dematerialised their Shares through a CSDP or Broker other than those Shareholders with own name registration, and who wish to attend the General Meeting, must request their CSDP or Broker to provide them with the necessary authority in the form of a letter of representation to attend the General Meeting or must instruct their CSDP or Broker to vote on their behalf in terms of the custody agreement governing the relationship between such Shareholders and their CSDP or Broker. These instructions must be provided to the CSDP or Broker by the cut-off time and date advised by the CSDP or Broker for instructions of this nature.



## Transaction Capital

### Transaction Capital Limited

(Incorporated in the Republic of South Africa)  
(Registration number 2002/031730/06)  
Share code: TCP ISIN: ZAE000167391  
("TCP" or the "Company")



### JMR HOLDINGS

### JMR Holdings Proprietary Limited

(Incorporated in the Republic of South Africa)  
(Registration number 2015/175405/07)  
("JMRH")

## COMBINED CIRCULAR TO SHAREHOLDERS

### Regarding:

- a specific issue of shares for cash, in terms of which TCP will issue 3 377 821 new TCP Shares to JMRH at an issue price of the TCP Subscription Consideration per Share;
- a waiver of the requirement for JMRH and any other party which may be Acting in Concert with it to make a Mandatory Offer to the holders of the remaining securities of TCP;
- the adoption and approval of the TCP Conditional Share Plan;

### and incorporating:

- a fair and reasonable opinion in terms of Regulation 86(7) of the Regulations;
- a notice of General Meeting; and
- a Form of Proxy (*blue*) for use by Certificated Shareholders and Own-Name Dematerialised Shareholders only.

#### Sponsor to TCP



Independent Reporting Accountant  
and Auditors to TCP

## Deloitte.

#### Independent Expert to TCP



Grant Thornton  
An instinct for growth

Independent Legal Adviser to TCP



#### Legal Advisers to TCP



Legal Advisers to JMRH



Date of issue: 21 September 2016

This Circular is available in English only. A copy hereof may be obtained during normal business hours from the registered office of TCP, the address of which appears from the "TCP Corporate Information and Advisers" section on page 3 of this Circular, from Wednesday, 21 September 2016 until Thursday, 20 October 2016. An electronic version of this Circular will also be made available on the Company's website ([www.transactioncapital.co.za](http://www.transactioncapital.co.za)).

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## TCP CORPORATE INFORMATION AND ADVISERS

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The definitions set out on pages 5 to 12 of this Circular apply *mutatis mutandis* to this section.

### Directors

David Hurwitz (*Chief Executive Officer*)  
Mark Herskovits  
Jonathan Jawno  
Michael Mendelowitz  
Ronen Goldstein (*Financial Director*)  
Christopher Seabrooke\* (*Chairperson*)  
Phumzile Langeni\*\*  
Dumisani Tabata\*\*  
David Woollam\*\*  
Moses Kgosana\*\*  
Kuben Pillay\*\*  
Roberto Rossi#  
# Non-executive \* Independent

**Date of incorporation:** 18 December 2002

**Place of incorporation:** South Africa

### Sponsor

Deutsche Securities (SA) Proprietary Limited  
(a non-bank member of the Deutsche Bank Group)  
(Registration number 1995/011798/07)  
3 Exchange Square, 87 Maude Street  
Sandton  
2196  
(Private Bag X9933, Sandton, 2146)

### Transfer Secretaries

Computershare Investor Services Proprietary  
Limited  
(Registration number 2004/003647/07)  
Ground Floor  
70 Marshall Street  
Johannesburg  
(PO Box 61051, Marshalltown 2107)

### Independent Reporting Accountants and Auditors

Deloitte & Touche  
(Practice number 902276)  
Deloitte Place  
The Woodlands, 20 Woodlands Drive  
Woodmead  
Sandton, 2196  
(Private Bag X6, Gallo Manor, 2052)

### Company Secretary, Registration number and Registered office

#### Company Secretary:

Statucor Proprietary Limited  
(Registration number 1989/005394/07)

#### Registration number:

2002/031730/06

#### Registered office:

230 Jan Smuts Avenue,  
(Corner Bompas Road)  
Dunkeld West  
Johannesburg  
2196

(PO Box 41888, Craighall, 2024)

**Website:** [www.transactioncapital.co.za](http://www.transactioncapital.co.za)

### Legal Adviser

Edward Nathan Sonnenbergs Incorporated  
(Registration number 2006/018200/21)  
150 West Street  
Sandton  
2196  
(PO Box 783347, Sandton, 2146)

### Independent Legal Adviser

In respect of the Transaction  
Prinsloo, Tindle & Andropoulos Incorporated  
(Registration number 1998/021593/21)  
First Floor, 17 Fricker Road  
Illovo Boulevard  
Illovo, Sandton, 2196  
(PO Box 55024, Northlands, 2116)

### Independent Expert

Grant Thornton Advisory Services Proprietary Limited  
(Registration number 2002/022635/07)  
Wanderers Office Park  
52 Corlett Drive  
Illovo  
Johannesburg  
2196  
(Private Box X5, Illovo, 2196)

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## **JMRH CORPORATE INFORMATION AND ADVISERS**

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The definitions and interpretations set out on pages 5 to 12 of this Circular apply, *mutatis mutandis*, to this section.

**Directors**

Jonathan Jawno  
Michael Mendelowitz  
Roberto Rossi

**Legal Adviser**

Edward Nathan Sonnenbergs Incorporated  
(Registration number 2006/018200/21)  
150 West Street  
Sandton  
2196  
(PO Box 783347, Sandton, 2146)

**Date of incorporation**

27 May 2015

**Place of incorporation**

South Africa

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## ACTION REQUIRED BY SHAREHOLDERS

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**The definitions and interpretations set out on pages 5 to 12 of this Circular apply, *mutatis mutandis*, to this section.**

Please take careful note of the following provisions regarding the actions required by Shareholders:

This Circular contains important information regarding the Transaction, the TCP Conditional Share Plan and matters relating thereto.

Shareholders should not construe anything in this Circular as legal, business or tax advice. Shareholders who are in any doubt as to what action to take should consult their CSDP, Broker, banker, accountant or other professional adviser immediately.

1. If you have disposed of all your Shares, this Circular should be handed to the purchaser of such Shares or the Broker, CSDP, banker or other agent through whom such disposal was effected.
2. If you are in any doubt as to the action you should take, please consult your Broker, CSDP, accountant, legal adviser or other professional adviser immediately.
3. This Circular contains information relating to the Transaction and the TCP Conditional Share Plan. You should carefully read through this Circular and decide how you wish to vote on the resolutions to be proposed at the General Meeting.

#### 4. **General Meeting**

Shareholders are invited to attend the General Meeting convened in terms of the notice of General Meeting attached to and forming part of this Circular, to be held at 230 Jan Smuts Avenue (Corner Bompas Road), Dunkeld West, Johannesburg at 09:00 on Thursday, 20 October 2016, or any other adjourned or postponed date and time determined in accordance with the provisions of section 64(11) of the Companies Act, as read with the Listings Requirements.

#### 5. **Own-name Dematerialised Shareholders and Certificated Shareholders**

You are entitled to attend, or be represented by proxy, at the General Meeting.

If you are unable to attend the General Meeting, but wish to be represented thereat, you are requested to complete and return the attached Form of Proxy (*blue*), in accordance with the instructions contained therein, to be received by the Transfer Secretaries, Computershare Investor Services Proprietary Limited, Ground Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107) by no later than 09:00 on Wednesday, 19 October 2016. Proxy Forms not lodged with the Transfer Secretaries may be handed to the chairperson of the General Meeting before the proxy exercises the voting rights of the Shareholder at the General Meeting.

#### 6. **Dematerialised Shareholders without own-name registration**

You must **not** complete the attached Form of Proxy (*blue*).

7. If you have not been contacted by your CSDP or Broker with regard to how you wish to cast your votes at the General Meeting, you should contact your CSDP or Broker to enable them to vote in accordance with your instructions. If your CSDP or Broker does not obtain instructions from you, they will then be obliged to act in terms of the custody agreement entered into between you and your CSDP or Broker.
8. If you wish to attend the General Meeting in person, you must request your CSDP or Broker to issue the necessary letter of representation to you, to enable you to attend the General Meeting.

#### 9. **Notice of General Meeting**

The notice convening the General Meeting is attached to this Circular.

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## SALIENT DATES AND TIMES

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The definitions and interpretations set out on pages 5 to 12 of this Circular apply, *mutatis mutandis*, to this section.

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**2016**

Record date to determine which Shareholders are eligible to receive the Circular	Friday, 16 September
Circular distributed to Shareholders on	Wednesday, 21 September
Distribution of Circular announcement to be released on SENS on	Wednesday, 21 September
Distribution of Circular announcement to be published in the press on	Thursday, 22 September
Last day to make representations to the TRP relating to the exemption application referred to in paragraph 4.4.6	Wednesday, 5 October
Last day to trade to be recorded in the Register in order to be able to attend, participate and vote at the General Meeting	Tuesday, 11 October
Record date for Shareholders to be recorded in the Register in order to be able to attend, participate and vote at the General Meeting	Friday, 14 October
Last day to lodge Forms of Proxy (by no later than 09:00) for the General Meeting on	Wednesday, 19 October
General Meeting held at 09:00 on	Thursday, 20 October
Results of General Meeting released on SENS on	Thursday, 20 October
Results of General Meeting to be published in the press on	Friday, 21 October
Exemption application to the TRP to obtain the TRP Waiver Ruling	Friday, 21 October

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### Notes:

1. The above dates and times are subject to amendment. Any such amendment will be released on SENS and published in the South African press.
2. A Form of Proxy not lodged with the Transfer Secretaries may be handed to the chairperson of the General Meeting before the proxy exercises the voting rights of the Shareholder at the General Meeting.
3. If the General Meeting is adjourned or postponed, Forms of Proxy submitted for the initial General Meeting will remain valid in respect of any adjournment or postponement of the General Meeting, unless withdrawn by the Shareholder.
4. If the General Meeting is adjourned or postponed then Form of Proxy that have not yet been submitted should be lodged with the Transfer Secretaries by no later than 24 hours before the adjourned or postponed General Meeting but may nonetheless be handed to the chairman of the adjourned or postponed General Meeting before the proxy exercises the voting rights of the Shareholder at the adjourned or postponed General Meeting.
5. TCP will release a SENS announcement of the TRP Waiver Ruling and inform TCP Shareholders that they may request the Takeover Special Committee to review the TRP Waiver Ruling within five Business Days of the date of the SENS announcement. This announcement shall also advise shareholders of the expected date of the commencement of the listing of the TCP Subscription Shares on the stock exchange operated by the JSE
6. All dates and times quoted in this document are South African dates and times.

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## DEFINITIONS AND INTERPRETATIONS

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In this Circular and in the annexures hereto, unless otherwise indicated or unless the context indicates a contrary intention, the words in the first column have the meanings 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 person include references to legal persons and *vice versa*.

“Accept”	in relation to each Grant of TCP Conditional Shares, the delivery of an Acceptance Notice by an Employee to the Compliance Officer in terms of the Rules and “Accepted” or “Acceptance” shall be construed accordingly;
“Acceptance Notice”	in relation to each Grant of TCP Conditional Shares, a written or electronic notice delivered by the Employee to the Compliance Officer accepting such Grant;
“Acting in Concert”	will bear the meaning assigned to this term in section 117 of the Companies Act;
“Associate”	will bear the meaning assigned to this term in the Listings Requirements;
“Affected Participant”	<ul style="list-style-type: none"><li>• in the case of a TCP Trigger Event, all Participants;</li><li>• in the case of a Member Trigger Event, a Participant who is no longer employed by a Member of the Group as a result of the implementation of the Member Trigger Event;</li></ul>
“Board” or “Directors”	board of directors of TCP, whose names appear in the ‘TCP Corporate information and advisers’ section of this Circular;
“Broker”	any person registered as a “broking member (equities)” in terms of the rules of the JSE and in accordance with the provisions of the Financial Markets Act;
“Business Day”	any day other than a Saturday, Sunday or official public holiday in South Africa;
“CEO”	Chief Executive Officer;
“Certificated Shareholders”	Shareholders who hold Certificated Shares;
“Certificated Shares”	Shares that have not been Dematerialised, the title to which is represented by a Document of Title;
“Change of Control”	a direct change in Control, after the TCP Conditional Share Plan Effective Date, of any Member of the Group, as the case may be;
“Circular”	this circular, dated 21 September 2016, including the annexures hereto, the notice convening the General Meeting and the Form of Proxy ( <i>blue</i> );
“Companies Act” or “Act”	Companies Act, 2008 (Act 71 of 2008), as amended;
“Compliance Officer”	a compliance officer, contemplated in section 95(1)(b) of the Companies Act, appointed by the RemCom from time to time in respect of the TCP Conditional Share Plan;
“Competition Act”	the Competition Act, 1998 (Act 89 of 1998), as amended;
“Competition Authorities”	the Competition Commission and/or the Competition Tribunal, as the case may be, both as established in terms of the Competition Act;

“Control”	<p>of or in relation to any person (other than (i) a natural person and (ii) an unincorporated entity or trust) means that some other person or persons (individually or collectively):</p> <ul style="list-style-type: none"> <li>• owns or own (directly or indirectly) the majority of the issued ordinary shares or other equity interest (i.e. over 50%) of such person; and/or</li> <li>• controls or control (directly or indirectly) the majority of voting rights (i.e. over 50%) in relation to the issued ordinary shares or other equity interest of such person; and/or</li> <li>• is or are entitled to appoint (and do so appoint) so many directors on the board of directors or similar representatives on the governing body of such person, as controls or control the majority of the voting rights (i.e. over 50% of all the directors or similar representatives on the board of directors or other governing body of such person);</li> </ul>
“Country Schedule”	a schedule to the Rules to be adopted as directed by the RemCom, which will govern participation in the TCP Conditional Share Plan by Participants employed by the TCP Group in jurisdictions other than South Africa;
“CSDP”	Central Securities Depository Participant, being a participant as defined in section 1 of the Financial Markets Act;
“Dematerialisation”	the process by which Certificated Shares are converted to electronic form as uncertificated ordinary shares and recorded in a Sub-Register and “Dematerialised” shall bear a similar meaning;
“Dematerialised Shareholders”	Shareholders who hold Dematerialised Shares;
“Dematerialised Shares”	Shares that have been Dematerialised;
“Document of Title”	valid share certificates, certified transfer deeds, balance receipts or any other proof of ownership of TCP Shares, reasonably acceptable to TCP;
“Employee”	any person holding permanent employment or office with any Member of the Group but excluding any non-executive director of the Group and any member of the RemCom;
“Employer Company”	in relation to an Employee, the Member of the Group that employs that Employee;
“Employer Company Share”	<p>in relation to:</p> <ul style="list-style-type: none"> <li>• a Grant to an Employee or a Participant, as the case may be, a share in any Member of the Group as determined by RemCom in its sole and absolute discretion and set out in the Grant Letter pertaining to that Grant; and</li> <li>• any transfer of a Participant’s employment to another Member of the Group, a share in any Member of the Group as determined by RemCom in accordance with the Rules;</li> </ul>
“Entity”	includes any association, business, close corporation, company, concern, enterprise, firm, partnership, person, trust, undertaking, voluntary association or other similar entity whether corporate or unincorporate;
“Exchange Agreement”	the exchange agreement dated 31 August 2016 entered into between the JMR Trusts and JMRH required to give effect to the Restructure;
“Financial Markets Act”	Financial Markets Act, 2012 (Act 19 of 2012), as amended;
“Founders”	Jawno, Mendelowitz and Rossi or, if the context is appropriate, any one or more of them;
“Form of Proxy” or “Proxy Form”	blue form of proxy attached to and forming part of this Circular;



“General Meeting”	general meeting of shareholders to be held at 09:00 on Thursday, 20 October 2016, or any other adjourned or postponed date and time determined in accordance with the provisions of section 64(11) of the Companies Act, as read with the Listings Requirements, to be convened in connection with the Transaction and the TCP Conditional Share Plan, for the purpose of considering, and if deemed fit passing, with or without modification, the resolutions contained in the notice of general meeting attached to and forming part of this Circular;
“Grant” or “Granted”	an award of TCP Conditional Shares to an Employee under the TCP Conditional Share Plan;
“Grant Letter”	a document delivered by the Compliance Officer to an Employee in accordance with the provisions of the Rules;
“Group” or the “TCP Group”	TCP and all Entities, the financial results of which are or are required to be consolidated in TCP’s annual financial statements in accordance with TCP’s accounting policies from time to time, and the expression “Member of the Group” shall be construed accordingly;
“Group Member Share”	an ordinary share in the share capital of any Member of the Group other than TCP;
“IFRS”	International Financial Reporting Standards;
“Independent Board”	those members of the Board who are independent and have been appointed by the Board (excluding Jawno, Mendelowitz and Rossi in terms of section 75 of the Companies Act) to consider the terms of the Transaction, in accordance with Regulation 108(8) of the Regulations, namely Christopher Seabrooke (chairperson), Phumzile Langeni, Kuben Pillay and Dumisani Tabata;
“Independent Expert”	Grant Thornton Advisory Services Proprietary Limited (Registration No. 2002/022635/07), a private company duly incorporated in accordance with the laws of South Africa, appointed by TCP to provide the fair and reasonable opinion required in terms of Regulation 86(7) of the Regulations, contained in Annexure 1 to this Circular;
“Independent Shareholders”	TCP Shareholders who act independently (as envisaged in Regulation 81 of the Regulations), it being recorded that in terms of Regulation 81 of the Regulations, the JMR Trusts and any of their respective Associates are excluded from the definition of “Independent Shareholders”;
“Jawno”	Jonathan Michael Jawno (identity number 660305516086);
“JMRH”	JMR Holdings Proprietary Limited (Registration Number 2015/175405/07), a private company with limited liability duly incorporated in accordance with the company laws of South Africa, 100% of the ordinary shares of which are held by KIT, RT and STT in equal shares as at the Last Practicable Date and the date on which the Transaction is implemented;
“JMRH Board” or “JMRH Directors”	board of directors of JMRH, whose names appear in the JMRH corporate information and advisers’ section of this Circular;
“JMRH Share”	an ordinary no par value share in the share capital of JMRH;
“JMRH Shareholder”	holders of JMRH Shares;
“JMR Trusts”	collectively RT, STT and KIT or, if the context is appropriate, any one or more of them;
“JSE”	JSE Limited (Registration number 2005/022939/06), a public company incorporated in accordance with the laws of South Africa, which is licensed to operate as an exchange under the Financial Markets Act;
“King III”	the King Report on Governance for South Africa 2009;

“KIT”	the trustee/s for the time being of the Kimberley Investment Trust (Master’s reference number IT 7138/97), which trustees have been duly issued with letters of authority by the Master of the High Court of South Africa;
“Last Practicable Date”	Wednesday, 14 September 2016, being the last practicable date prior to the finalisation of this Circular;
“Listings Requirements”	Listings Requirements of the JSE, in force as at the Last Practicable Date;
“Liquidation Date”	in relation to a Participant, the date on which that Participant’s Employer Company is placed in final liquidation in terms of a court order;
“LRA”	Labour Relations Act, 1995 (Act 66 of 1995), as amended;
“Major Subsidiary”	will bear the meaning assigned to this term in the Listing Requirements;
“Mandatory Offer”	“mandatory offer” as contemplated in section 123 of the Companies Act, which essentially provides, under the heading “the Mandatory Offer”, <i>inter alia</i> , that a person who acquires a beneficial interest in the voting rights attached to any securities of a regulated company (and, as a result of that acquisition, that person is able to exercise at least the “prescribed percentage” (currently 35%) of all the voting rights attached to the securities of that company), shall, <i>inter alia</i> , offer to acquire (from the holders of the remaining securities of that company) any remaining securities of the company, on the terms determined by the Companies Act and the Regulations. In the absence of the suspensive conditions to the Transaction envisaged in paragraphs 4.2 and 5.2 of the Circular (which suspensive conditions embody the requirements for a Waiver of a Mandatory Offer in accordance with the Regulations), the Transaction would ordinarily require a Mandatory Offer by JMRH and, if applicable, any other party Acting in Concert with it to acquire the remaining TCP Shares not acquired by JMRH following the implementation of the Transaction at an offer price of R13.50 per TCP Share. Accordingly, if the suspensive conditions envisaged in the TCP Subscription Agreement and the Exchange Agreement are fulfilled then there will be no requirement for JMRH and, if applicable, any other party Acting in Concert with it to make a Mandatory Offer to the holders of the remaining securities of TCP. Conversely, if any of the suspensive conditions envisaged in the TCP Subscription Agreement and the Exchange Agreement are not fulfilled then the Transaction will fail in its entirety and there will be no requirement for JMRH and, if applicable, any other party Acting in Concert with it to make a Mandatory Offer to the holders of the remaining securities of TCP.
“MBD Holdings”	MBD Credit Solutions Holdings Proprietary Limited (Registration Number 1998/025827/07), a private company with limited liability duly incorporated in accordance with the company laws of South Africa and which is a wholly-owned subsidiary of TCP;
“Mendelowitz”	Michael Paul Mendelowitz (identity number 6506055067086);
“Non-Public Shareholder”	will bear the meaning assigned to this term in the Listings Requirements;
“Own-Name Dematerialised Shareholders”	Dematerialised Shareholders who have instructed their CSDP to hold their Dematerialised Shares in their own-name on the Sub-Register;
“Participant”	an Employee who has timeously Accepted a Grant made under the Rules, including, without limitation, the executor of such Employee’s deceased estate;
“Performance Conditions”	in relation to each Grant, those tasks that must be performed and/or those targets that must be achieved by a Participant during the Performance Period, as determined by the RemCom and set out in the Grant Letter (or which are amended by the RemCom from time to time in accordance with the provisions of the Rules), in order for the TCP Conditional Shares which are the subject matter of the Grant to Vest;

“Performance Period”	in relation to each Grant, the period (which shall not extend beyond the Vesting Period in respect of that Grant), during which the Performance Conditions must be fulfilled, as determined by the RemCom and set out in the Grant Letter;
“Prohibited Period”	any of the following periods: <ul style="list-style-type: none"> <li>• a “closed period” as defined in the Listings Requirements; or</li> <li>• any period, as determined by the Board, when there exists any matter, which constitutes unpublished price sensitive information in relation to TCP’s securities; or</li> <li>• any other period during which dealings in securities are prohibited as determined by TCP’s “Policy on Share Dealings”;</li> </ul>
“Rand” or “R” or “cents”	South African Rand and cents, the lawful currency of South Africa;
“Register”	securities register of ordinary shareholders, including all Sub-Registers;
“Regulations”	the regulations promulgated in terms of section 223 of the Companies Act, published under Government Notice R351 in Government Gazette 34239 of 26 April 2011, as amended;
“Related Party”	will bear the meaning assigned to this term in the Listings Requirements;
“RemCom”	Remuneration Committee of the Board, excluding any member thereof who holds any executive office in the TCP Group, or its successor charged with the administration of the TCP Conditional Share Plan and, in the absence of such a RemCom or its successor, the non-executive Directors serving on the Board (it being recorded that non-executive directors are not eligible to participate in the TCP Conditional Share Plan);
“Restructure”	after the fulfilment of the suspensive condition contained in paragraph 5.2 below, the transfer by each of KIT, RT and STT, of all TCP Shares held by them (representing approximately 43.15% of the issued share capital of TCP immediately prior to the TCP Specific Issue of Shares for Cash) to JMRH by way of an exchange and in exchange for the allotment and issue of new ordinary shares in JMRH to the JMR Trusts, such that upon implementation of such transfers of TCP Shares, JMRH will hold 246 622 179 TCP Shares;
“Retirement”	in relation to a Participant, the normal retirement age as determined by that Participant’s Employer Company, or with the approval of the RemCom, prior to the normal retirement age;
“Rossi”	Roberto Rossi (identity number 6201155036088);
“RT”	the trustee/s for the time being of the Rutland Trust (Master’s reference number IT 7137/97), which trustees have been duly issued with letters of authority by the Master of the High Court of South Africa;
“Rules”	rules of the TCP Conditional Share Plan, as amended or replaced from time to time;
“SARs”	share appreciation rights granted in terms of the TCP Share Appreciation Rights Plan;
“SA Taxi”	SA Taxi Holdings and any Entity, the financial results of which are or are required to be consolidated in SA Taxi Holdings’ annual financial statements in accordance with SA Taxi Holdings’ accounting policies from time to time;
“SA Taxi Holdings”	SA Taxi Finance Holdings Proprietary Limited (Registration Number 2004/001531/07), a private company with limited liability duly incorporated in accordance with the company laws of South Africa and which is a 98% owned subsidiary of TCP;
“SENS”	Stock Exchange News Service of the JSE;

“Settlement”	the delivery of Settlement Shares to which a Participant is entitled pursuant to the Vesting of TCP Conditional Shares in accordance with any settlement method contemplated in the Rules and the words “Settle” and “Settled” shall bear a corresponding meaning;
“Settlement Shares”	the number of TCP Shares which are required to be delivered to the relevant Participant as Settlement pursuant to the Vesting of TCP Conditional Shares, as calculated in accordance with the provisions of the Rules;
“Share” or “TCP Share”	an ordinary no par value share in the share capital of TCP;
“Shareholders” or “TCP Shareholders”	holders of Shares;
“Share Capital Event”	<p>any of the following events occurring in relation to TCP and/or any Group Member which may affect the value of a TCP Conditional Share:</p> <ul style="list-style-type: none"> <li>• an issue of shares as capitalisation shares in terms of section 47 of the Companies Act;</li> <li>• the offer of any securities of TCP and/or the Group Member, as the case may be, to all of their respective shareholders <i>pro rata</i> to their holdings at the relevant date;</li> <li>• a subdivision of Shares;</li> <li>• a consolidation of Shares;</li> <li>• TCP and/or the relevant Group member, as the case may be, making distributions (as defined in the Companies Act) to their respective shareholders, including a reduction in capital or a distribution <i>in specie</i>, other than a dividend paid in the ordinary course of business out of the current year’s retained earnings;</li> </ul>
“Short-term Incentives”	<p>in relation to an Employee:</p> <ul style="list-style-type: none"> <li>• of TCP or TCCS, the short-term incentive plan of TCP, as approved by the RemCom;</li> <li>• of a member of TCRS, the short-term incentive plan of TCRS;</li> <li>• of a member of the SA Taxi, the short-term incentive plan of the SA Taxi;</li> <li>• of any Member of the Group other than TCP or TCCS, TCRS and the SA Taxi, the short-term incentive plan applicable to that Member of the Group;</li> </ul>
“SME”	small to medium enterprises;
“South Africa”	Republic of South Africa;
“Strate”	Strate Proprietary Limited (Registration number 1998/022242/07), a private company incorporated in accordance with the laws of South Africa which is a registered central securities depository in terms of the Financial Markets Act, which manages the electronic clearing and settlement system for transactions that take place on the JSE and off-market trades;
“STT”	the trustee/s for the time being of the Sugar Tube Trust (Master’s reference number IT 885/97), which trustees have been duly issued with letters of authority by the Master of the High Court of South Africa;
“Sub-Register”	sub-register of Shareholders holding Dematerialised Shares, maintained by a CSDP and forming part of the Register;
“Takeover Special Committee”	the Takeover Special Committee, established in terms of section 202 of the Companies Act;

“TCCS”	TC Corporate Support Proprietary Limited (Registration Number 2007/001160/07), a private company with limited liability duly incorporated in accordance with the company laws of South Africa and which is a wholly-owned subsidiary of TCP;
“TCP” or the “Company” or “Transaction Capital”	Transaction Capital Limited (Registration number 2002/031730/06), a public company incorporated in accordance with the laws of South Africa, the ordinary shares of which are listed on the stock exchange operated by the JSE;
“TCP Conditional Share”	a conditional right to a TCP Share Granted to an Employee and, which if Accepted by that Employee, will Vest subject to the fulfilment of the Vesting Conditions;
“TCP Conditional Share Plan” or “Transaction Capital Conditional Share Plan”	the TCP Conditional Share Plan constituted under the Rules;
“TCP Conditional Share Plan Effective Date”	the date on which the Rules come into force and effect, being the first Business Day immediately succeeding the date on which TCP Shareholders vote in favour of the TCP Conditional Share Plan in accordance with Schedule 14.1 of the Listings Requirements;
“TCP Share Appreciation Rights Plan”	the TCP Share Appreciation Rights Plan approved by TCP Shareholders on 10 July 2013;
“TCP Specific Issue of Shares for Cash”	specific issue of Shares for cash embodied in the TCP Subscription Agreement;
“TCP Subscription Agreement”	subscription agreement dated 31 August 2016 entered into between TCP and JMRH in terms of which after the fulfilment of the suspensive conditions contained in paragraph 4.2 below, JMRH shall subscribe for the TCP Subscription Shares, and TCP shall allot and issue such TCP Shares to JMRH as a specific issue of shares for cash in accordance with the applicable requirements of the Listings Requirements and the provisions of the Companies Act;
“TCP Subscription Consideration”	the aggregate subscription consideration for the TCP Subscription Shares equal to the higher of (i) R11.65 per TCP Share and (ii) the VWAP of the TCP Shares traded on the JSE over the 30 (thirty) Trading Day period (excluding off-market trades, being transactions pursuant to which the TCP Shares are traded other than through the usual trading systems of the JSE but such transactions are settled through the JSE’s settlement systems) prior to 31 August 2016 (being the date of signature of the TCP Subscription Agreement by the party last signing and the date on which the price envisaged therein was agreed), multiplied by the number of TCP Subscription Shares;
“TCP Subscription Shares”	3 377 821 TCP Shares;
“TCRS”	Transaction Capital Risk Services, comprising MBD Holdings and any Entity, the financial results of which are or are required to be consolidated in MBD Holdings’ annual financial statements in accordance with MBD Holdings’ accounting policies from time to time;
“Termination Date”	the date upon which a Participant is no longer permanently employed by, or ceases to hold salaried office in any Member of the Group;
“TFCE”	the total fixed cost of employment of an Employee which includes, <i>inter alia</i> , travel allowances, Employer Company contributions to retirement funds, insurance policies relating to death and disability benefits, and medical aid contributions but excludes any expected Short-term Incentives;
“Trading Day”	any day on which trading takes place through the usual trading systems on the JSE;
“Transaction”	collectively, the Restructure and the TCP Specific Issue of Shares for Cash, which shall be conditional on and indivisible with one another;

“Transfer Secretaries”	Computershare Investor Services Proprietary Limited (Registration number 2004/003647/07), a private company incorporated in accordance with the laws of South Africa;
“Trigger Event”	a TCP Trigger Event or a Member Trigger Event (as detailed in paragraph 7.7 of this Circular), as the case may be;
“Trigger Event Date”	the date on which any transaction pursuant to which any Member of the Group, is subject to a Trigger Event, is implemented;
“TRP”	the Takeover Regulation Panel, established in terms of section 196 of the Companies Act;
“TRP Waiver Ruling”	the TRP waiver ruling envisaged in the TRP guideline 2/2011 which is required for the Waiver of Mandatory Offer;
“Vesting Conditions”	<p>in relation to each Grant, those conditions which are required to be fulfilled in order for Vesting in respect of the TCP Conditional Shares or a portion thereof (as the case may be) which are the subject matter of that Grant to take place, including, without limitation:</p> <ul style="list-style-type: none"> <li>• the Performance Conditions; and/or</li> <li>• the condition that the Participant has remained in the continuous employ of any Member of the Group for the duration of the Vesting Period;</li> </ul>
“Vesting Date”	the date on which Vesting occurs in accordance with the provisions of the Rules;
“Vesting Period”	in relation to each Grant, the period or periods (as the case may be) commencing on the Grant Date and terminating on the date or dates determined by the RemCom and set out in the Grant Letter;
“VWAP”	the volume weighted average closing price per TCP Share traded on the JSE and shall be calculated on the basis of the trading information published by Bloomberg or, if Bloomberg should cease to publish such information, then such information published by any equivalent reputable agency agreed on in writing by JMRH and TCP or, failing such agreement within three days after it has been requested, nominated in writing by the chief executive officer for the time being of the JSE at the request of either JMRH or TCP; and
“Waiver of Mandatory Offer” or “White Wash Resolution”	a resolution envisaged in Regulation 86(4) of the Regulations, wherein provision is made for a waiver to be given to an offeror from the obligation to make a Mandatory Offer, if such waiver is approved by Independent Shareholders, in person or by proxy, holding more than 50% of the general voting rights of all the issued shares of a company in a general meeting.

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## COMBINED CIRCULAR TO SHAREHOLDERS

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### 1. INTRODUCTION AND PURPOSE OF THIS CIRCULAR

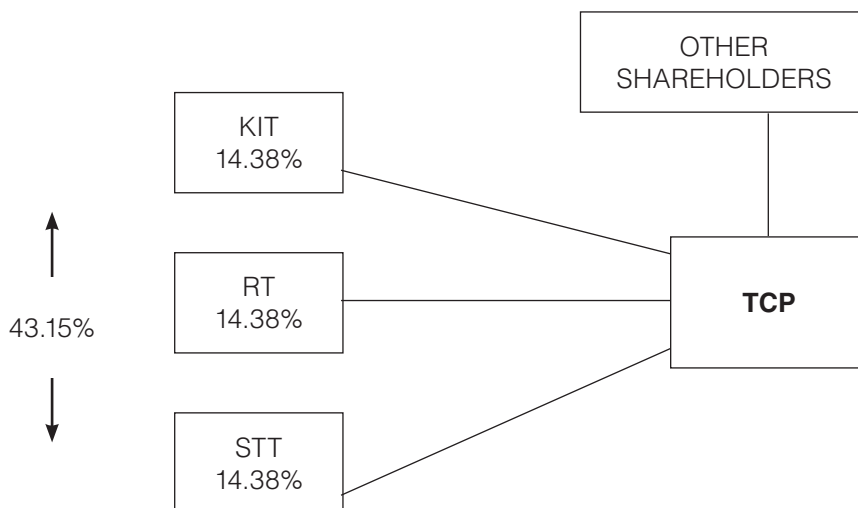
#### 1.1 Introduction to the Transaction

- 1.1.1 Jawno, Mendelowitz and Rossi are the architects/founders of the business of TCP, and are Directors. Each of Rossi, Jawno and Mendelowitz are in addition to the members of their respective families, discretionary beneficiaries of their respective family trusts, namely, KIT (in the case of Jawno), RT (in the case of Mendelowitz) and STT (in the case of Rossi). The discretionary beneficiaries of each of the JMR Trusts are different and have different needs, and each set of the trustees owe fiduciary duties to the respective trusts and discretionary beneficiaries.
- 1.1.2 The JMR Trusts do not and have not Acted in Concert since the listing of TCP.
- 1.1.3 The JMR Trusts have acquired a dormant company, namely JMRH, in which each of them beneficially own a third of the issued share capital.
- 1.1.4 The JMR Trusts each hold approximately 14.38% of the issued share capital of TCP and in aggregate hold approximately 43.15% of the issued share capital of TCP immediately prior to the Transaction.
- 1.1.5 The JMR Trusts and the Board wish to effect a restructure that will create control under a single legal Entity, namely JMRH, for the benefit of TCP and its stakeholders (including its direct and indirect shareholders) and increase the JMR Trusts' aggregate shareholding in TCP to 250 million TCP Shares (which shall represent approximately 43.48% of the issued share capital of TCP following the implementation of the Transaction), through JMRH, by the conclusion of the Exchange Agreement to give effect to the Restructure (detailed in paragraph 5 of this Circular) and the TCP Subscription Agreement to give effect to the TCP Specific Issue of Shares for Cash (detailed in paragraph 4 of this Circular), which shall be conditional on and indivisible with one another.
- 1.1.6 The issue of the TCP Subscription Shares to JMRH in terms of the TCP Subscription Agreement and the requirement for the TCP Shareholders' valid approval of the White Wash Resolution is indivisibly linked to the Restructure envisaged in the Exchange Agreement. In the absence of the fulfilment of the suspensive conditions contained in the TCP Subscription Agreement and, in particular the White Wash Resolution and the TRP Waiver Ruling, the Transaction would ordinarily require a Mandatory Offer by JMRH and, if applicable, any other party Acting in Concert with it to acquire the remaining TCP Shares not acquired by JMRH following the implementation of the Transaction. In the circumstances, it is a suspensive condition to the TCP Subscription Agreement that, together with such other resolutions as are required to be put before TCP Shareholders at the General Meeting, a Whitewash Resolution will be put before Independent Shareholders, as an ordinary resolution and the Independent Shareholders will accordingly be required to validly approve the Waiver of a Mandatory Offer and accordingly vote on a Whitewash Resolution. The valid approval of the Whitewash Resolution, the issue of the TRP Waiver Ruling and fulfilment of the other suspensive conditions contemplated in paragraphs 4.2 and 5.2 below, will exempt JMRH (and, if applicable, any person Acting in Concert with it) from the obligation to make a Mandatory Offer to the holders of the remaining securities of TCP. The Independent Shareholders holding more than 50% of the general voting rights of all the issued Shares at the General Meeting will be required to consider and weigh the merits of a Mandatory Offer by JMRH and, if applicable, any party Acting in Concert with it, and the benefits of the Transaction (detailed in paragraph 6 of this Circular) and accordingly vote on whether or not to waive the benefit of a Mandatory Offer in terms of Regulation 86(4) of the Regulations. Accordingly, Independent Shareholders present at the General Meeting, in person or by proxy, will be required to consider the benefits of the Transaction (detailed in paragraph 6 of the Circular). If the approval of the White Wash Resolution is not validly obtained and/or the TRP Waiver Ruling is not validly obtained and/or if any of the other suspensive conditions envisaged in the TCP Subscription Agreement and the Exchange Agreement are not fulfilled then the Transaction will fail in its entirety.

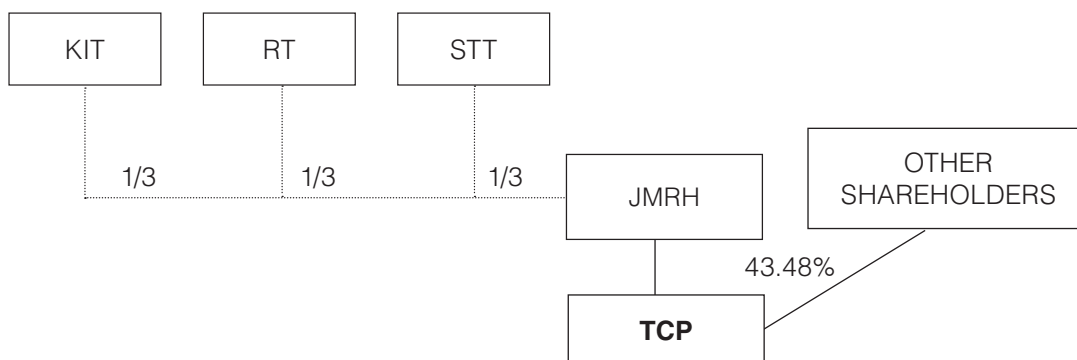
1.1.7 **If the suspensive conditions envisaged in the TCP Subscription Agreement and the Exchange Agreement are fulfilled then there will be no requirement for JMRH and, if applicable, any other party Acting in Concert with it to make a Mandatory Offer to the holders of the remaining securities of TCP. Conversely, if any of the suspensive conditions envisaged in the TCP Subscription Agreement and the Exchange Agreement are not fulfilled then the Transaction will fail in its entirety and there will be no requirement for JMRH and, if applicable, any other party Acting in Concert with it to make a Mandatory Offer to the holders of the remaining securities of TCP.**

1.1.8 Upon implementation of the Transaction, JMRH will hold 250 million TCP Shares (being the TCP Shares acquired by JMRH in terms of the Restructure and the TCP Subscription Shares acquired by JMRH in terms of the TCP Specific Issue of Shares for Cash), representing approximately 43.48% of the entire issued share capital of TCP.

1.1.9 Shareholding of TCP prior to the implementation of the Transaction:



1.1.10 Shareholding of TCP immediately following the implementation of the Transaction:



1.1.11 JMRH does not anticipate any change to the nature of TCP's business nor the Board following the implementation of the Transaction. JMRH anticipates that TCP will remain listed on the JSE following the implementation of the Transaction, subject to TCP continuing to meet the public shareholder spread and related requirements of the Listings Requirements.

## 1.2 Introduction to the TCP Conditional Share Plan

1.2.1 TCP has adopted a decentralised management structure by devolving authority and responsibility to its respective divisions, namely the risk services division (housed in TCRS) and the asset-backed lending division (housed in SA Taxi). This strategic objective has resulted in the requirement for a long-term incentive scheme which has, as its primary objective, the linking of the scheme's performance to that of the relevant division.

1.2.2 The purpose of the TCP Conditional Share Plan is to incentivise Participants to deliver the relevant division's business strategy over the long-term, and as a retention mechanism and



as a tool to attract prospective Employees. The TCP Conditional Share Plan will furthermore provide Participants with the opportunity to share in the success of the relevant division in which he/she is employed and provide alignment between the Participants and TCP Shareholders.

### 1.3 Purpose of this Circular

1.3.1 The purpose of this Circular is to provide Shareholders with information on (i) the Transaction which, *inter alia*, constitutes a specific issue of shares for cash in terms of the Listings Requirements; (ii) the waiver of the requirement for JMRH and, if applicable, any other party Acting in Concert with it to make a Mandatory Offer to the holders of the remaining securities of TCP; and (iii) the TCP Conditional Share Plan, and to convene a General Meeting at which Shareholders can consider and vote on the resolutions required to implement the Transaction (which is conditional on, *inter alia*, the White Wash Resolution, such other resolutions as are contemplated in the Listings Requirements required to implement the TCP Specific Issue of Shares for Cash, and the special resolutions in terms of sections 41(1) and 44(3) of the Companies Act) and the TCP Conditional Share Plan.

1.3.2 The Transaction on one hand, and the TCP Conditional Share Plan on the other, are not conditional to one another. In the circumstances, the resolutions relating to the Transaction on the one hand, and the resolutions relating to the TCP Conditional Share Plan on the other, are not conditional on one another.

## 2. BUSINESS OF TCP GROUP

2.1 TCP targets leading positions in its selected market segments, utilising an entrepreneurial culture, human capital and technological capabilities, and vertical integration to cement competitive advantages. Operations focus on financial services opportunities which are both defensive (i.e. continue to generate solid returns under a range of economic conditions), and have scope for growth, both organically through accessing adjacent markets, and by acquisition of compatible businesses.

2.2 SA Taxi is a vertically integrated provider of finance, insurance and other related products using credit assessment, collections and capital management competencies. Operational competencies include vehicle and spare parts procurement, direct vehicle sales, vehicle refurbishment, insurance and telematics. SA Taxi Holdings also applies these competencies to finance bakkies and point-to-point metered taxis as income-producing assets for SMEs.

2.3 TCRS is a provider of a comprehensive range of structured credit risk management, debtor management, data management, collection, customer engagement, call centre and capital solutions to South Africa's largest credit providers, focusing predominantly on the consumer credit life cycle as well as commercial solutions for SMEs.

## 3. PROSPECTS

3.1 The constitution of TCP's portfolio of assets under two distinct divisional pillars has enabled TCP to focus on deploying its capital and resources to drive organic and acquisitive growth, thus enhancing the scale and entrenching the leading market positions of its divisions.

3.2 These divisions operate in market segments of the financial services sector perceived to be of higher risk that require a greater level of specialisation, which the Group's businesses have developed and refined over a number of years. TCP's strategy is to augment and refine its specialised competencies to achieve deep vertical integration within its chosen market segments, as well as to leverage its existing and scalable platforms to create defensible positions within identified adjacent market segments.

3.3 In light of TCP's positioning, TCP's management believes that the Company is well positioned to achieve continued growth in the medium term.

#### 4. DETAILS OF THE TCP SPECIFIC ISSUE OF SHARES FOR CASH

##### 4.1 Terms of the TCP Specific Issue of Shares for Cash

- 4.1.1 TCP has entered into the TCP Subscription Agreement with JMRH in terms of which, subject to the fulfilment of certain suspensive conditions, the material ones of which are detailed in paragraph 4.2 below, JMRH will subscribe for the TCP Subscription Shares, at the TCP Subscription Consideration.
- 4.1.2 The TCP subscription consideration per TCP Share to be acquired under the TCP Subscription Agreement is R11.65, being the higher of (i) R11,65 per TCP Share and (ii) the VWAP of the TCP Shares traded on the JSE over the 30 (thirty) Trading Day period (excluding off-market trades, being transactions pursuant to which the TCP Shares are traded other than through the usual trading systems of the JSE but such transactions are settled through the JSE's settlement systems) prior to 31 August 2016 (being the date of signature of the TCP Subscription Agreement by the party last signing and the date on which the price envisaged therein was agreed).
- 4.1.3 The proceeds of the TCP Specific Issue of Shares for Cash will be used to fund the Company's ongoing investment activities, including the settlement of external debt, if appropriate.
- 4.1.4 Financing arrangements have been entered into by JMRH and the JMR Trusts in order to finance the TCP Subscription Consideration. The TCP Subscription Consideration will be financed by way of shareholders' loans by the JMR Trusts to JMRH. Such loans will, *inter alia*, (i) bear interest at rates agreed between the JMR Trusts and JMRH from time to time, (ii) have an indefinite term and (iii) have no fixed repayment terms.

##### 4.2 Suspensive conditions to the TCP Specific Issue of Shares for Cash

- 4.2.1 The TCP Specific Issue of Shares for Cash is subject to the fulfilment, *inter alia*, of the following key suspensive conditions which remain unfulfilled as at the Last Practicable Date:
  - 4.2.1.1 the Exchange Agreement becoming unconditional in all respects (save for any conditions relating to the TCP Subscription Agreement becoming unconditional in accordance with its terms);
  - 4.2.1.2 TCP Shareholder valid approval of the White Wash Resolution and the resolutions required in terms of section 41(1) of the Companies Act, section 44(3) of the Companies Act (being the approval of the provision by TCP of financial assistance, by way of the payment of legal and other transaction costs in respect of the Transaction, as envisaged in paragraph 15 below, for the purpose of, or in connection with, the purchase and subscription of TCP Shares in terms of the Transaction) and paragraph 5.51(g) of the Listings Requirements;
  - 4.2.1.3 approval of the large merger by the Competition Authorities as may be required or provided for in terms of the Competition Act for the implementation of the Transaction (by virtue of JMRH acquiring control over TCP in terms of section 12(2) of the Competition Act);
  - 4.2.1.4 TRP grants the TRP Waiver Ruling; and
  - 4.2.1.5 within five Business Days from the date TCP announces on SENS the results of the TRP Waiver Ruling (or such longer period as may be allowed by the Takeover Special Committee), no TCP Shareholder/s requests the Takeover Special Committee to review the TRP Waiver Ruling such that the TRP waiver proceedings may then be regarded as complete or if TCP Shareholder/s requests the Takeover Special Committee to review the TRP Waiver Ruling, the Takeover Special Committee confirms the TRP Waiver Ruling by not later than 31 January 2017 (or such later date as may be agreed in writing between JMRH and TCP before the aforesaid date, which later date shall not extend beyond 30 June 2017) such that the TRP waiver proceedings may then be regarded as complete.

#### 4.3 **TCP Shareholder Approval Requirements of the TCP Specific Issue of Shares for Cash**

- 4.3.1 The TCP Specific Issue of Shares for Cash is deemed to be a specific issue of shares for cash in terms of the Listings Requirements. This issue of TCP Subscription Shares will require TCP Shareholder approval by way of a special resolution requiring support from TCP Shareholders holding at least 75% of the total number of votes exercised by TCP Shareholders present and eligible to vote on such resolution at the General Meeting.
- 4.3.2 The TCP Specific Issue of Shares for Cash is an issue to JMRH, being a Non-Public Shareholder of, and a Related Party to, TCP.
- 4.3.3 As TCP will be issuing Shares to an Entity related to Directors, approval of TCP Shareholders by way of a special resolution in terms of section 41(1) of the Companies Act is also required.
- 4.3.4 The special resolutions and ordinary resolution required to implement the TCP Specific Issue of Shares for Cash have been included in the notice of General Meeting attached to this Circular. The JMR Trusts and any of their Associates will be precluded from voting (where applicable) on the special resolutions and the ordinary resolution relating to the TCP Specific Issue of Shares for Cash, due to their participation in the TCP Specific Issue of Shares for Cash. The JMR Trusts and any of their Associates will accordingly also be precluded from voting on the White Wash Resolution, the special resolutions in terms of sections 41(1) and 44(3) of the Companies Act and the ordinary resolution relating thereto.

#### 4.4 **Waiver of Mandatory Offer**

- 4.4.1 The JMR Trusts each own 82 207 393 TCP Shares, which equates to approximately 14.38% of the issued share capital of TCP immediately before the implementation of the Transaction. The implementation of the Transaction will result in JMRH acquiring 250 000 000 TCP Shares which equals to approximately 43.48% of the issued share capital of TCP immediately after the implementation of the Transaction. In the absence of the suspensive conditions to the Transaction envisaged in paragraphs 4.2 and 5.2 of the Circular (which suspensive conditions embody the requirements for a Waiver of a Mandatory Offer in accordance with the Regulations), the Transaction would ordinarily require a Mandatory Offer by JMRH and, if applicable, any other party Acting in Concert with it to acquire the remaining TCP Shares not acquired by JMRH following the implementation of the Transaction at the same price as that envisaged in the Exchange Agreement (being R13,50 (thirteen rand and fifty cents) which price per TCP Share includes a control premium). Accordingly, the attention of TCP Shareholders is directed to paragraph 1.1.7 above from which it is evident that a Mandatory Offer will never fall to be required.
- 4.4.2 Regulation 86(4) of the Regulations, permits a waiver to be given to an offeror (or, if applicable, any person Acting in Concert with it) from the obligation to make a Mandatory Offer if such waiver is approved by Independent Shareholders, in person or by proxy, holding more than 50% of the general voting rights of all the issued shares of the Company in a general meeting. Accordingly, the Transaction is subject to the suspensive conditions that, *inter alia*, Independent Shareholders approve the Waiver of Mandatory Offer, which Whitewash Resolution requesting such waiver is included in the notice of General Meeting forming part of this Circular. The valid approval of the Whitewash Resolution, together with the TRP Waiver Ruling, will exempt JMRH and, if applicable, any other party Acting in Concert with it from the obligation to make a Mandatory Offer to the holders of the remaining TCP securities pursuant to the Transaction.
- 4.4.3 In terms of Regulation 86(7) of the Regulations, the Waiver of Mandatory Offer requires a fair and reasonable opinion. The fair and reasonable opinion prepared by the Independent Expert, is contained in Annexure 1 to this Circular. The Independent Board, having received the fair and reasonable opinion, is of the opinion that the Waiver of Mandatory Offer is fair and reasonable to the Independent Shareholders. The Independent Board accordingly recommends that Independent Shareholders vote in favour of the Whitewash Resolution proposed at the General Meeting.

- 4.4.4 The TRP has advised that it is willing to consider the application to grant an exemption from the obligation to make a Mandatory Offer if the majority of Independent Shareholders waive their entitlement to receive the Mandatory Offer which would otherwise be required from JMRH and, if applicable, any other party Acting in Concert with it, in accordance with Regulation 86(4) of the Regulations.
- 4.4.5 Included in this Circular is the notice of General Meeting and the Waiver of the Mandatory Offer for Independent Shareholders to consider, and if deemed fit, to approve at the General Meeting.
- 4.4.6 Any TCP Shareholder who wishes to make representations relating to the exemption will have 10 Business Days from the date of the distribution of this Circular to make such representations to the TRP before the ruling is considered. Representations should be made in writing and delivered by hand, posted or faxed to:

If delivered by hand or courier:	If emailed:	If faxed:
The Executive Director Takeover Regulation Panel 1st Floor, Block 2, Freestone Park 135 Patricia Road Atholl Johannesburg 2196	admin@trpanel.co.za	The Executive Director Takeover Regulation Panel + 27 (0) 11 784 0062

and should reach the TRP by no later than the close of business on Wednesday, 5 October 2016 in order to be considered.

- 4.4.7 If any representations are made to the TRP within the permitted timeframe, the TRP will consider the merits thereof before making the TRP Waiver Ruling.
- 4.4.8 The TRP will accordingly consider the application for the Waiver of the Mandatory Offer and any representations made to the TRP within the permitted timeframe, and make a TRP Waiver Ruling, which incorporates the reasons therefor.
- 4.4.9 After the General Meeting is held and should the Waiver of the Mandatory Offer have been validly passed, an application will be submitted to the TRP together with supporting documents indicating that the Waiver of the Mandatory Offer has been validly passed in terms of regulation 86(4) of the Regulations.
- 4.4.10 TCP will then make an announcement of the TRP Waiver Ruling and inform TCP Shareholders that they may request the Takeover Special Committee to review the TRP Waiver Ruling within five Business Days of the announcement. Such announcement must be approved by the TRP before it is released.
- 4.4.11 The TRP waiver proceedings will be regarded as completed (i) after the expiry of the five Business Days' notice period, if no TCP Shareholder/s requests the Takeover Special Committee to review the TRP Waiver Ruling or (ii) on the date that the Takeover Special Committee confirms the TRP Waiver Ruling (which must occur by not later than 31 January 2017 or such later date as may be agreed by JMRH and TCP which will not extend beyond 30 June 2017) if TCP Shareholder/s requests the Takeover Special Committee to review the TRP Waiver Ruling. In the circumstances, it is a suspensive condition to the TCP Specific Issue of Shares for Cash that within five Business Days from the date TCP announces on SENS the results of the TRP Waiver Ruling, no TCP Shareholder/s requests the Takeover Special Committee to review the TRP Waiver Ruling such that the TRP waiver proceedings may then be regarded as complete or if TCP Shareholder/s requests the Takeover Special Committee to review the TRP Waiver Ruling, the Takeover Special Committee confirms the TRP Waiver Ruling by no later than 31 January 2017 (or such later date as may be agreed in writing between JMRH and TCP before the aforesaid date, which later date shall not extend beyond 30 June 2017) such that the TRP waiver proceedings may then be regarded as complete.

## 5. DETAILS OF THE RESTRUCTURE

### 5.1 Terms of the Restructure

The JMR Trusts have entered into an agreement with JMRH in terms of which, subject to the fulfilment of certain suspensive conditions, the material one of which is detailed in paragraph 5.2 below, each of KIT, RT and STT, will transfer all of the TCP Shares held by them (representing in aggregate approximately 43.15% of the issued share capital of TCP immediately prior to the TCP Specific Issue of Shares for Cash) to JMRH by way of an exchange and in exchange for the allotment and issue of new ordinary shares in JMRH to the JMR Trusts, such that upon implementation of such transfers of TCP Shares, JMRH will hold 246 622 179 TCP Shares (representing in aggregate approximately 43.15% of the issued share capital of TCP immediately prior to the TCP Specific Issue of Shares for Cash). Upon implementation of the Transaction JMRH will hold 250 000 000 TCP Shares (representing approximately 43.48% of the entire issued share capital of TCP), as indicated in paragraph 1.1.10 of this Circular.

### 5.2 Suspensive condition to the Restructure

The Restructure is subject to the fulfilment of the following suspensive condition which remains unfulfilled as at the Last Practicable Date: the TCP Subscription Agreement becoming unconditional in all respects (save for any conditions relating to the Exchange Agreement becoming unconditional in accordance with its terms).

## 6. RATIONALE FOR THE TRANSACTION

6.1 Upon implementation of the Transaction, TCP will, for the first time, have a single shareholder of reference holding over 35% of TCP Shares. The Transaction will result in the following benefits for TCP and all its stakeholders:

- 6.1.1 TCP is a financial services group and the stability and continuity of having a committed shareholder of reference, owned by the JMR Trusts, will facilitate continued confidence in TCP and particularly in its activities in the debt and equity markets;
- 6.1.2 TCP's ratings and credit spreads are likely to be enhanced by the visible backing and continuity of the Founders;
- 6.1.3 the clear effective control and continuity in the TCP Group arising from the Transaction should facilitate TCP's ability to attract and retain management talent and skills;
- 6.1.4 at present, there are no agreements between the JMR Trusts. Post the implementation of Transaction, if the circumstances of any of the individual families in respect of the JMR Trusts change due to inheritances or otherwise, it is likely that the JMRH structure will be unaffected - again facilitating continuity;
- 6.1.5 the subscription of the TCP Subscription Shares by JMRH not only adds to the capital of TCP but also signals the continued support of the Founders and their perception of value at the current price levels; and
- 6.1.6 through the new JMRH structure, the Board will be able to interact with a shareholder of reference with one voice on strategic and industry matters for the benefit of TCP.

## 7. DETAILS OF THE TCP CONDITIONAL SHARE PLAN

### 7.1 Purpose and background

7.1.1 The purpose of the TCP Conditional Share Plan is to incentivise Participants to deliver the relevant division's business strategy over the long-term, as a retention mechanism and as a tool to attract prospective Employees. The TCP Conditional Share Plan will furthermore provide Participants with the opportunity to share in the success of the relevant division in which he/she is employed and provide alignment between the Participants and TCP Shareholders.

7.1.2 In terms of schedule 14 of the Listings Requirements, share incentive schemes must be approved by equity securities holders passing a resolution (requiring a 75% majority of the votes cast in favour of such resolution by all equity securities holders present or represented by proxy at a General Meeting) and must contain provisions relating to certain specified matters listed in schedule 14 including, without limitation, the category of persons eligible to participate in the scheme, the number of equity securities which may be utilised for purposes of the scheme and the fixed number of equity securities for any one participant, the basis on which awards are made, and the rights of participants in instances of mergers, corporate actions, liquidations, capitalisation issues and termination of employment. The details in respect of the matters specified in schedule 14 in relation to the TCP Conditional Share Plan are set out below.

## 7.2 Participants

Any person permanently employed by or holding salaried office with, the TCP Group, who has timeously Accepted a Grant made under the Rules, excluding any non-executive director of the TCP Group and any member of the RemCom, will be eligible to participate in the TCP Conditional Share Plan.

## 7.3 Basis, timing and Grant of TCP Conditional Shares

7.3.1 At the request of RemCom from time to time, the respective CEOs of TCP, TCRS, SA Taxi and any other Member of the Group which does not form part of TCRS or SA Taxi, shall make recommendations to the RemCom as to which Employees should be incentivised by the Grant of TCP Conditional Shares.

7.3.2 After receipt of the recommendations, the RemCom shall, in its sole and absolute discretion, approve the Grant of TCP Conditional Shares to Employees, including, without limitation –

7.3.2.1 those Employees to whom Grants will be made;

7.3.2.2 subject to the limit in respect of the maximum number of TCP Shares allocated to any Participant under the TCP Conditional Share Plan in respect of all unvested TCP Conditional Shares, the number of TCP Conditional Shares in respect of any Grant made to any Employee, after taking into account the Employee's TFCE, expected Short-term Incentives, number of SARs and TCP Conditional Shares Granted, grade, performance, term of employment with the TCP Group, retention requirements and market benchmarks;

7.3.2.3 the aggregate quantum of TCP Conditional Shares to be granted to all Employees at that particular time;

7.3.2.4 the Vesting Conditions to which the TCP Conditional Shares will be subject and the Vesting Period; and

7.3.2.5 all other matters relating to the governance and administration of the TCP Conditional Share Plan.

7.3.3 Grants of TCP Conditional Shares will be made on an annual basis or on an ad hoc basis, as and when the RemCom decides that there is merit in making a Grant to a particular Employee. The RemCom may also make a Grant to any Employee by way of a Grant Letter in accordance with the provisions of the Rules after the TCP Conditional Share Plan Effective Date on any day on which there are no restrictions on the making of Grants that are imposed by:

7.3.3.1 a Prohibited Period;

7.3.3.2 applicable law, order or directive of any court or government authority of competent jurisdiction; or

7.3.3.3 any code adopted by TCP based on the provisions contained in King III relating to dealings in securities by directors or the Listings Requirements, as the case may be.

- 7.3.4 TCP Conditional Shares which are the subject matter of any Grant shall lapse, *inter alia*:
- 7.3.4.1 if the Grant was not timeously Accepted by the Employee by the date specified in the Grant Letter;
  - 7.3.4.2 if any Vesting Conditions specified in the Grant Letter in respect of that Grant are not timeously fulfilled or waived, as the case may be;
  - 7.3.4.3 if the Participant ceases to be an Employee of any Member of the Group pursuant to that Participant's resignation, dismissal and/or abscondment;
  - 7.3.4.4 if the Participant ceases to be an Employee of any Member of the Group pursuant to (i) death; (ii) injury, disability or ill-health; (iii) dismissal based on operational requirements as contemplated in the LRA; (iv) retirement (except where retirement is elected as a cause of termination in instances which would have warranted cessation of employment in terms of 7.3.4.3), but only in respect of such number of TCP Conditional Shares as is proportionate in number to the period (calculated in days) commencing on the Termination Date until the expiry of the relevant Vesting Period and, to the extent applicable, the extent to which any Performance Conditions were not fulfilled during the relevant Performance Period);
  - 7.3.4.5 subject to 7.7.3 below, in the event of a Trigger Event but only in respect of such number of TCP Conditional Shares as is proportionate in number to the period (calculated in days) commencing on the Trigger Event Date until the expiry of the relevant Vesting Period and, to the extent applicable, the extent to which any Performance Conditions were not fulfilled during the relevant Performance period); or
  - 7.3.4.6 with effect from the Liquidation Date to the extent that those TCP Conditional Shares have not Vested or have not been Settled.

#### 7.4 **Vesting of TCP Conditional Shares**

- 7.4.1 The Vesting of a TCP Conditional Share shall be made subject to the fulfilment or waiver, as the case may be, of Vesting Conditions as determined by the RemCom on the Grant Date of that TCP Conditional Share which will be set out in the Grant Letter.
- 7.4.2 Once a TCP Conditional Share has Vested, the Participant is entitled to Settlement.
- 7.4.3 TCP Shares allocated in respect of Grants under the TCP Conditional Share Plan which do not subsequently vest shall lapse.

#### 7.5 **Rights attaching to TCP Conditional Shares**

TCP Conditional Shares shall have the following characteristics:

- 7.5.1 TCP Conditional Shares constitute conditional rights to acquire TCP Shares for no consideration subject to the fulfilment (or waiver by RemCom) of the Vesting Conditions.
- 7.5.2 the TCP Conditional Shares have no voting, dividend, transfer and other rights in relation to the TCP Share other than those details in 7.5.1.
- 7.5.3 once the Vesting Conditions have been fulfilled or waived, as the case may be, such number of TCP Shares (rounded up to the nearest whole number) as is equal in value (valued at the 10 Business Day volume weighted average price per TCP Share on the Vesting Date) to the value of the TCP Conditional Shares Vesting on the particular Vesting Date shall be delivered to the Participant. The value of each TCP Conditional Share on the Vesting Date shall be equal to the fair value of an Employer Company Share on the Vesting Date, calculated as follows:
  - 7.5.3.1 if the relevant Employer Company Share is a TCP Share, the 10 Business Day volume weighted average price of a TCP Share on the Vesting Date; or
  - 7.5.3.2 if the relevant Employer Company Share is a Group Member Share, the fair value of such Group Member Share, as determined by an independent professional advisor appointed by the RemCom (whose decision shall, in the absence of manifest error, be final and binding), provided that if the Vesting Date occurs within seven months of the date as at which the fair value per Group Member Share

was last determined by an independent professional advisor, then that fair value previously determined by the independent professional advisor shall be applied unless, during that seven-month period, any event occurs which, in the opinion of RemCom acting reasonably, would have a material impact on the fair value per Group Member Share, in which event the fair value per Group Member Share must be determined on the Vesting Date by an independent professional advisor appointed by the RemCom at that time; and

- 7.5.3.3 before the Vesting of the TCP Conditional Shares, Participants shall have no rights in respect of the TCP Shares underlying the TCP Conditional Shares, nor shall Participants have any rights to any Group Member Shares.

## 7.6 Termination of employment

### 7.6.1 Termination by resignation or dismissal

- 7.6.1.1 If a Participant ceases to be an Employee of any Member of the Group prior to the Vesting of TCP Conditional Shares in respect of any Grant by reason of:

- 7.6.1.1.1 his/her resignation;

- 7.6.1.1.2 dismissal on any lawful grounds including, without limitation, grounds of misconduct, poor performance, dishonest or fraudulent conduct or conduct against the interest of the TCP Group or its shareholders (whether such cessation occurs as a result of notice given by him or otherwise or where he resigns to avoid dismissal on ground of misconduct, poor performance, dishonest or fraudulent conduct, or conduct against the interest of the Group or its shareholders); or

- 7.6.1.1.3 his/her abscondment,

all TCP Conditional Shares which have not Vested as at the Termination Date shall lapse on the Termination Date.

- 7.6.1.2 A Participant who ceases to be employed by an Employer Company on the basis that the Participant is:

- 7.6.1.2.1 immediately thereafter employed by another Employer Company; or

- 7.6.1.2.2 immediately thereafter re-employed by such Employer Company pursuant to it being determined that the Participant's employment was terminated on a basis which was not lawful in terms of the LRA,

shall be deemed not to have terminated employment for the purposes of the Rules and the Participant's rights in and to any Grant shall be deemed to be unaffected unless the date on which the Participant's employment transfers ("Employment Transfer Date") occurs prior to the six month period immediately preceding the date on which any Conditional Shares Vest, then –

- 7.6.1.2.3 the TCP Conditional Shares shall, for purposes of the Vesting Price (as defined in the Rules) and for purposes of re-valuing the TCP Conditional Shares pursuant to another transfer of employment intra-Group, be valued according to the value of those Employer Company Shares which RemCom determines are appropriate in light of the transfer of the Participant's employment to a different Employer Company ("New Employer Company Shares"), which adjustment shall be notified by the Compliance Officer to the Participant in writing;

- 7.6.1.2.4 the number of those TCP Conditional Shares shall be adjusted such that the total number of TCP Conditional Shares after adjustment (valued in accordance with the value of the New Employer Company Shares on the Transfer Employment Date) are equal in value to the number of TCP Conditional Shares before the adjustment (valued in accordance with the value of the previous Employer Company Shares on the Transfer Employment Date); and



7.6.1.2.5 the Vesting Conditions applicable to the TCP Conditional Shares shall remain in full force and effect, save for the Performance Conditions which shall be amended to reflect the Participant's new position and new Employer Company's targets.

## 7.6.2 Termination by other causes and exceptional circumstances

7.6.2.1 If a Participant's employment with any Employer Company terminates prior to the Vesting Date by reason of:

7.6.2.1.1 death;

7.6.2.1.2 injury, disability or ill-health, in each case as certified by a qualified medical practitioner nominated by the RemCom;

7.6.2.1.3 dismissal based on operational requirements as contemplated in the LRA;

7.6.2.1.4 Retirement, except where Retirement is elected as the cause of termination of employment in instances which would have warranted cessation of employment in terms of paragraph 7.6.1 above;

7.6.2.1.5 any other reason which RemCom determines, in its sole and absolute discretion, is a justified reason under the Rules in the circumstances,

then such number of TCP Conditional Shares will Vest on the Termination Date as is proportionate in number to the period (calculated in days) during which the Participant was an Employee in relation to the relevant Vesting Period and, to the extent applicable, the extent to which any Performance Conditions were fulfilled during the relevant Performance Period, calculated in accordance with the provisions of the Rules.

7.6.2.2 The remaining portion of the TCP Conditional Shares that does not Vest shall lapse.

## 7.7 Trigger events

7.7.1 Trigger events may occur in respect of TCP "TCP Trigger Event" (as envisaged in paragraph 7.7.1.1 below) or any Member of the Group "Member Trigger Event" (as envisaged in paragraph 7.7.1.2 below).

7.7.1.1 TCP Trigger Event means, if prior to any Vesting Date:

7.7.1.1.1 a Change of Control occurs in respect of TCP; or

7.7.1.1.2 the TCP Shares cease to be listed on the JSE.

7.7.1.2 Member Trigger Event means, if prior to any Vesting Date:

7.7.1.2.1 a Change of Control occurs in any Member of the TCP Group; or

7.7.1.2.2 all or the greater part of the assets or undertaking of a Member of the Group are acquired by or merged with those of another company or companies not forming part of the TCP Group.

7.7.2 Such number of TCP Conditional Shares, granted to an Affected Participant will Vest on the Trigger Event Date as is proportionate in number to the period (calculated in days) during which the Affected Participant was an Employee in relation to the relevant Vesting Period and, to the extent applicable, the extent to which any Performance Conditions were fulfilled during the relevant Performance Period, calculated in accordance with the provisions of the Rules. The remaining portion of the relevant TCP Conditional Shares that does not Vest shall lapse.

7.7.3 The Board shall be entitled, in circumstances contemplated in 7.7.2 and after consultation with the RemCom, to consider any proposal (and any amendments to such proposal) which may be made by the potential offeror/s in relation to the TCP Conditional Share Plan (including, without limitation, any proposal in relation to the acceleration of the Vesting of the Conditional Shares, the creation of a new scheme and/or any combination of the above) ("Third Party Proposal"). If the Board resolves that the Third Party Proposal:

- 7.7.3.1 is in the interests of TCP and that the Participants would be in no worse a position under the Third Party Proposal than they are under the TCP Conditional Share Plan at the time of considering the Third Party Proposal, the Board may accept such Third Party Proposal and take such steps as may be required to implement the Third Party Proposal after the Trigger Event Date (subject to the fulfilment of the suspensive conditions to which any transaction which may or does give rise to the Trigger Event; or
- 7.7.3.2 is not accepted, the provisions of 7.7.1 and 7.7.2 shall apply.

## 7.8 Share Capital Events

- 7.8.1 If a Share Capital Event occurs:
  - 7.8.1.1 Participants shall continue to participate in the TCP Conditional Share Plan;
  - 7.8.1.2 the RemCom may make such adjustment to the number of TCP Conditional Shares which are the subject matter of a Grant so as to ensure that the Participant is entitled to the same proportion of equity capital as that to which the Participant was entitled prior to the Share Capital Event;
  - 7.8.1.3 the RemCom, without the prior approval of a general meeting of the TCP Shareholders:
    - 7.8.1.3.1 must, where required, adjust the number of TCP Shares allocated for the TCP Conditional Share Plan if the Share Capital Event entails (i) a consolidation of TCP Shares; and/or (ii) a division of TCP Shares; and
    - 7.8.1.3.2 may, where required, adjust the number of TCP Shares allocated for the individual limit on benefits or maximum entitlements of any Participant in respect of unvested TCP Conditional Shares if the Share Capital Event entails (i) an issue of shares as capitalisation shares in terms of section 47 of the Companies Act; (ii) the offer of any securities of TCP and/or the Group Member, as the case may be, to all of their respective shareholders *pro rata* to their holdings at the relevant date; (iii) TCP and/or the relevant Group Member, as the case may be, making distributions (as defined in the Companies Act) to their respective shareholders, including a reduction in capital or a distribution in specie, other than a dividend paid in the ordinary course of business out of the current year's retained earnings, to take account of the Share Capital Event. For the sake of clarity, it is recorded that the issue of TCP Shares as consideration for an acquisition, the issue of TCP Shares for cash and the issue of TCP Shares for a vendor consideration placing will not be regarded as a circumstance requiring adjustment in terms of this 7.8.1.3.2;
  - 7.8.1.4 the RemCom may take such other action so as to ensure that Participants are placed in substantially the same position as they were prior to the occurrence of the Share Capital Event;
  - 7.8.1.5 the Compliance Officer shall procure that the auditors send written confirmation to the JSE, at the time that the relevant adjustments are made pursuant to 7.8.1, that such adjustments were properly calculated on a reasonable and equitable basis in accordance with the Rules. Such determination by the auditors shall be final and binding on all Participants and Employer Companies; and
  - 7.8.1.6 any adjustments made pursuant to 7.8.1 will be reported in TCP's annual financial statements in the year during which the adjustments are made, to the extent required by the Companies Act or the Listings Requirements.

## 7.9 Liquidation

If TCP is placed into liquidation, otherwise than for the purposes of reorganisation, the TCP Conditional Share Plan shall lapse as from the Liquidation Date and any TCP Conditional Shares which have not Vested or which have not been Settled as at the Liquidation Date shall lapse with effect from the Liquidation Date.

## 7.10 Amendment and termination of the Rules

- 7.10.1 The RemCom may at any time, alter, vary or add to the Rules as it thinks fit in its sole and absolute discretion. Subject to the provisions of the Listings Requirements, no amendments to the Rules may adversely affect any Grants that have been Accepted prior to the date of the proposed amendment.
- 7.10.2 The provisions relating to, *inter alia*:
- 7.10.2.1 the category of persons who are eligible for participation in the TCP Conditional Share Plan;
  - 7.10.2.2 the 57 153 413 TCP Shares that are allocated for the TCP Conditional Share Plan, subject to Share Capital Events;
  - 7.10.2.3 the individual limitations on benefits or maximum entitlements of any Participant in respect of unvested TCP Conditional Shares (which currently shall not exceed 5 715 341 TCP Shares, subject to the Share Capital Events);
  - 7.10.2.4 the voting, dividend and other rights attached to TCP Shares which are subject to TCP Conditional Shares including those arising on a liquidation of TCP;
  - 7.10.2.5 the basis for determining Grants as stipulated in the Rules;
  - 7.10.2.6 the adjustment and price of Grants in the event of a Share Capital Event;
  - 7.10.2.7 the procedure to be adopted in respect of the Vesting of TCP Conditional Shares and Settlement in the event of a Trigger Event;
  - 7.10.2.8 the procedure to be adopted in respect of the Vesting of TCP Conditional Shares and Settlement in the event of termination of employment,
- may not be amended without the prior approval of the JSE and by resolution approved by 75% of TCP Shareholders in a general meeting, excluding all of the votes attached to all TCP Shares owned and controlled by persons who are existing Participants in the TCP Conditional Share Plan, which TCP Shares were acquired under the TCP Conditional Share Plan and may be impacted by the proposed amendments.
- 7.10.3 Furthermore, the RemCom may make minor amendments for ease of the administration of the TCP Conditional Share Plan, to comply with or take account of the provisions of any proposed or existing legislation or to obtain or maintain favourable, taxation or regulatory treatment of any Employer Company or any present or future Participant including, the adoption of a Country Schedule for the benefit of Employees of the TCP Group working outside of South Africa.
- 7.10.4 The RemCom may terminate the TCP Conditional Share Plan at any time, but Grants before such termination will continue to be valid and the TCP Conditional Share Plan will survive termination solely for purposes of the administration of those Grants.

## 8. SHARE CAPITAL OF THE COMPANY

The authorised and issued share capital of TCP, before and after the implementation of the TCP Specific Issue of Shares for Cash, is as follows:

<b>Before the TCP Specific Issue of Shares for Cash</b>	<b>R'000</b>
<b>Ordinary Share Capital</b>	
<i>Authorised</i>	
1 000 000 000 ordinary shares of no par value	
<i>Issued</i>	
571 534 125 ordinary shares of no par value each	518 794
<b>Preference Share Capital</b>	
<i>Authorised</i>	
10 000 000 cumulative, non-participating, non-convertible preference shares of no par value	
<i>Issued</i>	
No preference shares in issue	
<b>Total issued share capital</b>	<b>518 794</b>
<b>After the TCP Specific Issue of Shares for Cash</b>	<b>R'000</b>
<b>Ordinary Share Capital</b>	
<i>Authorised</i>	
1 000 000 000 ordinary shares of no par value	
<i>Issued</i>	
574 911 946 ordinary shares of no par value each	556 042
<b>Preference Share Capital</b>	
<i>Authorised</i>	
10 000 000 cumulative, non-participating, non-convertible preference shares of no par value	
<i>Issued</i>	
No preference shares in issue	
<b>Total issued share capital</b>	<b>556 042</b>

There have been no alterations to the authorised share capital in the three years preceding the date of this Circular. There are no ordinary shares held by the TCP Group as treasury shares.

## 9. INFORMATION RELATING TO THE DIRECTORS OF TCP AND SUBSIDIARIES

### 9.1 TCP's Directors' details

Name	Age	Business address	Function at TCP
David Hurwitz	44	230 Jan Smuts Avenue, Dunkeld West	CEO
Jonathan Jawno	50	230 Jan Smuts Avenue, Dunkeld West	Executive Director
Michael Mendelowitz	51	230 Jan Smuts Avenue, Dunkeld West	Executive Director
Mark Herskovits	42	230 Jan Smuts Avenue, Dunkeld West	Executive Director, Head of Capital Markets
Ronen Goldstein	35	230 Jan Smuts Avenue, Dunkeld West	Financial Director
Christopher Seabrooke	63	230 Jan Smuts Avenue, Dunkeld West	Chairperson and independent non-executive director
Phumzile Langeni	42	230 Jan Smuts Avenue, Dunkeld West	Independent non-executive director
Dumisani Tabata	61	230 Jan Smuts Avenue, Dunkeld West	Independent non-executive director
David Woollam	52	230 Jan Smuts Avenue, Dunkeld West	Independent non-executive director
Kuben Pillay	55	230 Jan Smuts Avenue, Dunkeld West	Independent non-executive director
Moses Kgosana	57	230 Jan Smuts Avenue, Dunkeld West	Independent non-executive director
Robert Rossi	54	230 Jan Smuts Avenue, Dunkeld West	Non-executive director

All of the Directors are South African citizens.

There are service contracts between TCP and the non-executive Directors of TCP, which set out their duties as well as their remuneration terms.

The employment contracts with the executive Directors of TCP contain normal terms and conditions of employment for contracts of this nature including, *inter alia*:

- Notice for termination of employment – all employment contracts have a three to six month notice periods.
- Confidentiality – standard confidentiality agreement surviving beyond the employment agreement with the Company with specific mention of information regarding customers, suppliers, financial information, trade secrets, intellectual property and other confidential information of the Company.
- Remuneration and bonuses – remuneration of the executive Directors is determined through a process of benchmarking, utilising current market information, as well as remuneration and reward practices of the Group. The Company adopts the principle of total 'Cost to Company' in determining executive Directors' remuneration packages. This includes basic remuneration, short-term incentives determined by fulfilment of performance targets, medical and other benefits. The Board annually appraises the executive Directors and the results of these appraisals are considered by the remuneration committee to guide it in determining performance and remuneration. The extent of managerial responsibility, together with actual workplace location, determines basic remuneration of executive Directors.

## 9.2 Directors' remuneration

The executive Directors' remuneration for the year ended 30 September 2015, being the last financial period, is set out below:

<b>Executive Director</b>	<b>Salary R</b>	<b>Benefits</b>	<b>Annual incentive bonus R</b>	<b>Total R</b>
David Hurwitz*	2 526 801	828 309	2 200 000	5 555 110
Mark Herskovits*	2 010 156	368 922	1 170 000	3 549 078
Jonathan Jawno	1 069 308	150 732	2 000 000	3 220 040
Michael Mendelowitz	1 069 155	150 885	2 000 000	3 220 040
	<b>6 675 420</b>	<b>1 498 848</b>	<b>7 370 000</b>	<b>15 544 268</b>

\* The following SARs have been granted since the inception of the TCP Share Appreciation Rights Plan in July 2013:

- David Hurwitz: Present value of R6 321 570, number of SARs 3 283 543
- Mark Herskovits: Present value of R6 232 560, number of SARs 3 192 870

The non-executive directors' remuneration for the year ended 30 September 2015, being the last financial period, is set out below:

<b>Non-executive Directors 2015</b>	<b>C Seabrooke<sup>1</sup> R</b>	<b>D Woollam R</b>	<b>P Langeni R</b>	<b>D Tabata R</b>	<b>S Zagnoev<sup>2</sup> R</b>	<b>R Rossi<sup>3</sup> R</b>	<b>Total R</b>
Chairperson	1 200 000	–	–	–	–	–	<b>1 200 000</b>
Director	–	250 000	250 000	250 000	250 000	250 000	<b>1 250 000</b>
Audit, risk and compliance committee (chairperson)	–	350 000	–	–	–	–	<b>350 000</b>
Audit, risk and compliance committee (member)	–	–	150 000	–	–	–	<b>150 000</b>
Remuneration committee (chairperson)	–	–	–	125 000	–	–	<b>125 000</b>
Nominations committee (member)	–	–	–	60 000	–	60 000	<b>120 000</b>
Social and ethics committee (chairperson)	–	–	125 000	–	–	–	<b>125 000</b>
<b>Total Annual Fees</b>	<b>1 200 000</b>	<b>600 000</b>	<b>525 000</b>	<b>435 000</b>	<b>250 000</b>	<b>310 000</b>	<b>3 320 000</b>

1. Mr Seabrooke is also the chairman of the nominations committee, a member of the remuneration committee and a member of the audit, risk and compliance committee.
2. Resigned on 8 December 2015.
3. In addition to the fees received above, Mr Rossi received R890 000 for consulting services.

### 9.3 SA Taxi directors' details

Name	Age	Business address	Function at SA Taxi
David Hurwitz	44	230 Jan Smuts Avenue Dunkeld West	Chairperson and non-executive director
Jonathan Jawno	50	230 Jan Smuts Avenue Dunkeld West	Non-executive director
Michael Mendelowitz	50	230 Jan Smuts Avenue Dunkeld	Non-executive director
Roberto Rossi	53	230 Jan Smuts Avenue Dunkeld West	Non-executive director
Phumzile Langeni	41	230 Jan Smuts Avenue Dunkeld West	Independent non-executive director
Simphiwe Nzimande	59	179 – 15th Road, Randjespark, Midrand	Independent non-executive director
Terry Kier	50	179 – 15th Road, Randjespark, Midrand	Chief Executive Officer
Mark Herskovits	41	230 Jan Smuts Avenue Dunkeld West	Head of Capital Markets
Lorenzo Cardoso	35	179 – 15th Road, Randjespark, Midrand	Chief Financial Officer
Dawid Spangenberg	38	179 – 15th Road, Randjespark, Midrand	Chief Risk Officer
Bonisile Makubalo	45	179 – 15th Road, Randjespark, Midrand	Corporate Affairs
Riek Olivier	35	179 – 15th Road, Randjespark, Midrand	Financial Director

All of the directors of SA Taxi are South African citizens.

There are service contracts between SA Taxi and the non-executive directors of SA Taxi, which set out their duties as well as their remuneration terms.

The employment contracts with the executive directors of SA Taxi contain normal terms and conditions of employment for contracts of this nature including, *inter alia*:

- Notice for termination of employment – all employment contracts have a three to six month notice periods.
- Confidentiality – standard confidentiality agreement surviving beyond the employment agreement with the company with specific mention of information regarding customers, suppliers, financial information, trade secrets, intellectual property and other confidential information of SA Taxi.
- Restraint of trade – where relevant, standard restraint of trade agreements applicable to selected executive directors of SA Taxi above with durations up to two years depending on the director. Reference made specifically to prescribed area, prescribed client, prescribed business, successors in title and prescribed staff.
- Remuneration and bonuses – remuneration of the executive directors of SA Taxi is determined through a process of benchmarking, utilising current market information, as well as remuneration and reward practices of the Group. SA Taxi adopts the principle of total 'Cost to Company' in determining executive directors' remuneration packages. This includes basic remuneration, short-term incentives determined by fulfilment of performance targets, medical and other benefits. The board of directors of SA Taxi annually appraises the executive directors of SA Taxi and the results of these appraisals are considered by the remuneration committee to guide it in determining performance and remuneration. The extent of managerial responsibility, together with actual workplace location, determines basic remuneration of executive directors of SA Taxi.

#### 9.4 TCRS' directors' details

Name	Age	Business address	Function at TCRS
David Hurwitz	44	230 Jan Smuts Avenue, Dunkeld West	Chairperson and non-executive director
Jonathan Jawno	50	230 Jan Smuts Avenue, Dunkeld West	Non-executive director
Michael Mendelowitz	50	230 Jan Smuts Avenue, Dunkeld West	Non-executive director
Robert Rossi	53	230 Jan Smuts Avenue, Dunkeld West	Non-executive director
Phumzile Langeni	41	230 Jan Smuts Avenue, Dunkeld West	Independent non-executive director
Winnie Kunene	56	342 Jan Smuts Avenue, Hyde Park	Independent non-executive director
David McAlpin	54	342 Jan Smuts Avenue, Hyde Park	Chief Executive Officer
Niels von Hase	38	342 Jan Smuts Avenue, Hyde Park	Chief Financial Officer
Rob Monteith	56	342 Jan Smuts Avenue, Hyde Park	Chief Information Officer

All of the directors of TCRS are South African citizens.

There are service contracts between TCRS and the non-executive directors of TCRS, which set out their duties as well as their remuneration terms.

The employment contracts with the executive directors of TCRS contain normal terms and conditions of employment for contracts of this nature including, *inter alia*:

- Notice for termination of employment – all employment contracts have a three to six month notice periods.
- Confidentiality – standard confidentiality agreement surviving beyond the employment agreement with the company with specific mention of information regarding customers, suppliers, financial information, trade secrets, intellectual property and other confidential information of TCRS.
- Restraint of trade – where relevant, standard restraint of trade agreements applicable to selected executive directors of TCRS above with durations of up to one year depending on the director. Reference made specifically to prescribed area, prescribed client, prescribed business, successors in title and prescribed staff.

Remuneration and bonuses – remuneration of the executive directors of TCRS is determined through a process of benchmarking, utilising current market information, as well as remuneration and reward practices of the Group. TCRS adopts the principle of total 'Cost to Company' in determining executive directors' remuneration packages. This includes basic remuneration, short-term incentives determined by fulfilment of performance targets, medical and other benefits. The board of directors of TCRS annually appraises the executive directors of TCRS and the results of these appraisals are considered by the remuneration committee to guide it in determining performance and remuneration. The extent of managerial responsibility, together with actual workplace location, determines basic remuneration of executive directors of TCRS.

#### 9.5 Disclosures in terms of regulations

- 9.5.1 There will be no variation in the remuneration to be received by any of the Directors as a consequence of the Transaction.
- 9.5.2 The details of the service contracts and employment contracts in place between any Director and/or proposed Director on the one hand and TCP on the other are set forth in paragraphs 9.1 and 9.2. The details of the service contracts and employment contracts in place between any director and/or proposed director on the one hand and the Major Subsidiaries of TCP on the other are set forth in paragraphs 9.3 and 9.4.
- 9.5.3 Other than Mark Herskovits' appointment as Head of Capital Markets and Ronen Goldstein's appointment as Financial Director, there are no service contracts entered into or amended within six months before the Last Practicable Date.



## 9.6 Directors' interests in securities

At 30 September 2015, the Directors and their Associates, including Directors who have resigned in the last 18 months, had the following direct and indirect beneficial interests in Shares:

	# '000	Shareholding (%)
<i>Non-beneficial holdings</i>		
D M Hurwitz	6 605	1.16
J M Jawno	82 207	14.44
M P Mendelowitz	82 207	14.44
R Rossi	82 207	14.44
C Seabrooke	5 000	<1
S Zagnoev*	43 785	7.69
<i>Beneficial holdings</i>		
D M Hurwitz	125	<1
M D Herskovits	839	<1
D F Woollam	1 450	<1
<b>Total</b>	<b>304 425</b>	
Number of issued shares	569 134	
Percentage of issued shares	53.49%	

\* Shaun Zagnoev, representing Ethos Technology Fund I and Ethos Private Equity Fund V, resigned as a director on 8 December 2015 post the sale of all of Ethos Technology Fund I's and Ethos Private Equity Fund V's shareholding in TCP.

At the Last Practicable Date, the Directors and their Associates, including Directors who have resigned in the last 18 months, had the following direct and indirect beneficial interests in Shares:

	# '000	Shareholding (%)
<i>Non-beneficial holdings</i>		
DM Hurwitz	2 605	<1
JM Jawno	82 207	14.38
MP Mendelowitz	82 207	14.38
R Rossi	82 207	14.38
C Seabrooke	10 000	1.75
S Zagnoev*	0	0
<i>Beneficial holdings</i>		
R Goldstein**	3	<1
DM Hurwitz	125	<1
MD Herskovits	839	<1
DF Woollam	1 450	<1
<b>Total</b>	<b>261 643</b>	
Number of issued shares	571 534	
Percentage of issued shares	45.78%	

\* Shaun Zagnoev, representing Ethos Technology Fund I and Ethos Private Equity Fund V, resigned as a director on 8 December 2015 post the sale of all of Ethos Technology Fund I's shareholding and Ethos Private Equity Fund V's shareholding in TCP.

\*\* R Goldstein appointed as a director with effect from 1 August 2016.

After Implementation of the Transaction, the Directors and their Associates, including Directors who have resigned in the last 18 months, will have the following direct and indirect beneficial interests in Shares:

	# '000	Shareholding (%)
<i>Non-beneficial holdings</i>		
D M Hurwitz	2 605	<1
J M Jawno*	83 333	14.49
M P Mendelowitz*	83 333	14.49
R Rossi*	83 333	14.49
C Seabrooke	10 000	1.74
S Zagnoev*	0	0
<i>Beneficial holdings</i>		
R Goldstein	3	<1
D M Hurwitz	125	<1
M D Herskovits	839	<1
D F Woollam	1 450	<1
<b>Total</b>	<b>265 021</b>	
Number of issued shares	574 912	
Percentage of issued shares	46.10%	

\* Held via the JMR Trusts' shareholding in JMRH

\*\* Shaun Zagnoev, representing Ethos Technology Fund I and Ethos Private Equity Fund V, resigned as a director on 8 December 2015 post the sale of all of Ethos Technology Fund I's shareholding and Ethos Private Equity Fund V's shareholding in TCP.

## 9.7 Directors' interests in transactions

Other than the involvement of Jonathan Jawno, Michael Mendelowitz and Roberto Rossi in the Transaction as set out in paragraphs 4 and 5 of this Circular and the issuance or exercise of any SARs as set out in 9.2 above, the directors of the Group, including directors who have resigned during the last 18 months, have had no material beneficial interests, whether direct or indirect, in any transaction that TCP effected during the current or immediately preceding financial year, or during an earlier financial year which remains in any respect outstanding or unperformed.

## 10. INTERESTS AND DEALINGS IN SECURITIES

### 10.1 TCP's interests in JMRH

As at the Last Practicable Date, TCP had no interest in any JMRH Shares.

### 10.2 TCP's dealings in JMRH

TCP has not dealt in any JMRH Shares in the six months preceding the Last Practicable Date.

### 10.3 JMRH's interests in TCP

As at the Last Practicable Date, JMRH had no interest in any TCP Shares. JMRH will however acquire 250 000 000 TCP Shares on the implementation of the Transaction.

### 10.4 JMRH's dealings in TCP

JMRH has not dealt in any TCP Shares in the six months preceding the Last Practicable Date.

### 10.5 Interest and dealings by providers of irrevocable undertakings

As at the Last Practicable Date, no person has provided irrevocable undertakings to vote in favour of or against the resolutions relating to the Transaction on the one hand, and the resolution relating to the TCP Conditional Share Plan on the other, at the General Meeting.

#### 10.6 JMRH Directors' interests in JMRH

As at the Last Practicable Date, the JMRH Directors and their Associates had the following direct and indirect beneficial interests in JMRH Shares:

	<b>Shareholding (%)</b>	
<i>Non-beneficial holdings</i>		
J M Jawno	1	33.33
M P Mendelowitz	1	33.33
R Rossi	1	33.33

#### 10.7 JMRH Directors' dealings in JMRH

The details of the dealings in JMRH Shares by the JMRH Directors and their Associates in the six months preceding the Last Practicable Date is shown in the table below:

	<b>Shareholding (%)</b>	
<i>Non-beneficial holdings</i>		
J M Jawno	1	33.33
M P Mendelowitz	1	33.33
R Rossi	1	33.33

#### 10.8 JMRH's Directors' interests in TCP

The direct and indirect beneficial interests in Shares held by JMRH Directors and their Associates, as at the Last Practicable Date, are set forth in paragraph 9.6 above.

#### 10.9 JMRH's Directors' dealings in TCP

No JMRH Director nor their Associates dealt in any TCP Shares in the six months preceding the Last Practicable Date.

#### 10.10 TCP's Directors' interest in TCP

The direct and indirect beneficial interests in Shares held by Directors and their Associates as at the Last Practicable Date, are set forth in paragraph 9.6 above.

#### 10.11 TCP's Directors' dealings in TCP

The following Directors dealt in TCP Shares in the six months preceding the Last Practicable Date.

<b>Name</b>	<b>Date disposed</b>	<b>Number of shares</b>	<b>Price/ share</b>	<b>Proceeds received</b>
D Hurwitz	15 June 2016	4 000 000	R 11.65	R 46 600 000
M Herskovits	25 July 2016	501 576	R 10.88	R 5 457 147
R Goldstein	25 July 2016	41 798	R 10.88	R 454 762

#### 10.12 TCP's Directors' interest in JMRH

The direct and indirect beneficial interests in Shares held by Directors and their Associates as at the Last Practicable Date, are set forth in paragraph 10.6 above.

#### 10.13 TCP's Directors' dealings in JMRH Shares

The details of the dealings in JMRH Shares by the TCP Directors and their Associates in the six months preceding the Last Practicable Date is set forth in paragraph 10.7 above.

## 11. AGREEMENTS IN RELATION TO THE TRANSACTION

- 11.1 Other than the TCP Subscription Agreement and the Exchange Agreement, no agreements have been entered into between JMRH and/or, if applicable, any party Acting in Concert with it and TCP and/or the Directors (as at the Last Practicable Date or having resigned in the preceding 12 months) and/or TCP Shareholders (as at the Last Practicable Date or who were TCP Shareholders in the last preceding 12 months) in relation to the Transaction or otherwise which may be considered material to the decision regarding the Waiver of Mandatory Offer.
- 11.2 Other than the TCP Subscription Agreement, no agreements have been entered into between TCP and JMRH and/or, if applicable, any party Acting in Concert with it and/or the JMRH Directors (as at the Last Practicable Date or having resigned in the preceding 12 months) and/or JMRH Shareholders (as at the Last Practicable Date or who were JMRH Shareholders in the last preceding 12 months) in relation to the Transaction or otherwise which may be considered material to the decision regarding the Waiver of Mandatory Offer.

## 12. FINANCIAL INFORMATION OF TCP

### 12.1 Historical financial information

Extracts from the audited financial information of TCP for the years ended 30 September 2013, 30 September 2014 and 30 September 2015 and unaudited interim financial information for the six months ended 31 March 2016 are included in Annexure 3 to this Circular.

### 12.2 *Pro forma* financial effects of the Transaction

- 12.2.1 The *pro forma* financial effects of the Transaction on Transaction Capital, net asset value per share, net tangible asset value per share, headline earnings per share, basic earnings per share and diluted basis earnings per share are set out below.
- 12.2.2 The *pro forma* financial effects are the responsibility of the directors of Transaction Capital and have been prepared for illustrative purposes only, to provide information on how the Transaction may have impacted the historical financial results of Transaction Capital for the six months ended 31 March 2016.
- 12.2.3 The *pro forma* statement of comprehensive income and *pro forma* statement of financial position of Transaction Capital for the six months ended 31 March 2016, and the explanatory notes thereto, are set out in Annexure 4 to this Circular and should be read in conjunction with the independent reporting accountants' report thereon contained in Annexure 2 to this Circular.
- 12.2.4 Due to this nature, the *pro forma* financial information (collectively, the *pro forma* effects, *pro forma* statement of financial position and *pro forma* statement of comprehensive income) may not give a fair reflection of Transaction Capital's financial position, changes in equity, results of operations and cash flows subsequent to the transaction.

12.2.5 The table below reflects the *pro forma* financial effects of the Transaction on a TCP shareholder:

	<b>Before TCP Specific Issue of Shares for Cash<sup>1</sup> (cents)</b>	<b>After TCP Specific Issue of Shares for Cash<sup>2</sup> (cents)</b>	<b>% change</b>
Net asset value per share	477,2	480,9	0,8%
Tangible net asset value per share	434,3	438,30	0,9%
Headline earnings per share	37,0	37,0	0,0%
Basic earnings per share	37,0	37,0	0,0%
Diluted basic earnings per share	36,6	36,6	0,0%

**Notes and assumptions:**

1. The "Before TCP Specific Issue of Shares for Cash" column has been extracted, without adjustment, from Transaction Capital's interim results for the six months ended 31 March 2016.
2. The "After TCP Specific Issue of Shares for Cash" column above reflect the *pro forma* effects on the published interim results of Transaction Capital resulting from the TCP Specific Issue of Shares for Cash.
3. The following adjustments have been applied and are reflected in the *pro forma* financial effects:
  - Transaction costs of R 2.19 million (including VAT) have been allocated to the stated capital in accordance with IAS 32.
  - The saving in interest expense has been calculated based on a R39 million cash amount received less transaction costs of R 2.19 million (including VAT) applied to external debt at a pre-tax rate of 12.10% p.a.
  - The Transaction has been assumed to have taken place at a fair market value due to the subscription price of the issue for cash taking place at the TCP Subscription Consideration. As a result, no discount or option expense has been recognised in terms of IFRS 2.
  - There are no other events after the reporting date which require inclusion in the *pro forma* financial effects presented.
  - Headline earnings is equal to the profit after tax for the period as there are no headline earnings adjustments required.

### 13. LITIGATION AND LEGAL PROCEEDINGS

At the Last Practicable Date there were no legal or arbitration proceedings (including proceedings which are pending or threatened) of which the TCP Directors are aware, which may have or have had during the twelve months preceding the date of this Circular, a material effect on the Company and the Group's financial position.

### 14. DIRECTORS' RESPONSIBILITY STATEMENT

#### 14.1 Independent Board

The Independent Board, individually and collectively, accepts full responsibility for the accuracy of the information contained in this Circular which relates to the Transaction as well as the extracts of information relating to TCP and certifies that, to the best of its knowledge and belief, such information is true and this Circular does not omit any facts that would make any of the information false or misleading or would be likely to affect the importance of any information contained in this Circular. The Independent Board has made all reasonable enquiries to ascertain that no facts have been omitted and this Circular contains all information required by law.

#### 14.2 Board

The Board, individually and collectively, accepts full responsibility for the accuracy of the information contained in this Circular which relates to the Transaction and the TCP Conditional Share Plan as well as the extracts of information relating to TCP and certifies that, to the best of its knowledge and belief, such information is true and this Circular does not omit any facts that would make any of the information false or misleading or would be likely to affect the importance of any information contained in this Circular. The Board has made all reasonable enquiries to ascertain that no facts have been omitted and this Circular contains all information required by law.

### 14.3 JMRH BOARD

The JMRH Directors, individually and collectively, accept full responsibility for the accuracy of the information contained in this Circular which relates to the Transaction as well as the extracts of information relating to JMRH and certifies that, to the best of their knowledge and belief, such information is true and this Circular does not omit any facts that would make any of the information false or misleading or would be likely to affect the importance of any information contained in this Circular. The JMRH Board has made all reasonable enquiries to ascertain that no facts have been omitted and this Circular contains all information required by law.

### 15. EXPENSES

15.1 There have been no preliminary expenses incurred by TCP in the three years immediately preceding the date of this Circular.

15.2 The expenses, excluding VAT, relating to the TCP Specific Issue of Shares for Cash are detailed below and relate, *inter alia*, to:

<b>Expense</b>	<b>Payable to</b>	<b>R (excluding VAT)</b>
Corporate advisor and sponsor fees	Deutsche Bank	350 000
Reporting accounts' fee	Deloitte	80 000
Independent expert fees	Grant Thornton	140 000
Legal advisory fee	ENS	875 000
Independent legal advisory fee	Prinsloo Tindle & Andropoulos Inc	122 400
JSE		
– Documentation fee	JSE	18 421
– Listing fee	JSE	53 271
Printing costs payable	INCE	70 240
Takeover regulation fees	Takeover Regulation Panel	200 000
<b>Total</b>		<b>1 909 332</b>

### 16. CONSENTS

16.1 The Sponsor, Legal Advisers, Independent Expert, Independent Reporting Accountants and Transfer Secretaries have given and have not, prior to the Last Practicable Date, withdrawn their written consent to the inclusion of their names in the form and context in which they appear in this Circular.

16.2 The Independent Reporting Accountants have given and have not withdrawn their consent to the issue of this Circular, with their reports in the form and context in which they are included.

### 17. OPINIONS AND RECOMMENDATIONS

17.1 The Independent Board has considered the terms and conditions of the Transaction and the terms of the fair and reasonable opinion contained in Annexure 1 to this Circular. The Independent Board is not aware of any factors that are difficult to quantify or are unquantifiable as envisaged in Regulation 110(6) of the Regulations and is of the opinion that the Transaction is in the best interests of all of TCP's key stakeholders and will be to the long-term benefit of TCP Shareholders. Accordingly, the Independent Board recommends that TCP Shareholders vote in favour of the resolutions relating to the Transaction at the General Meeting.

17.2 The Board has considered the terms and conditions of the TCP Conditional Share Plan and is of the opinion that the TCP Conditional Share Plan is in the best interests of all of TCP's key stakeholders and will be to the long-term benefit of TCP Shareholders. Accordingly, the Board recommends that TCP Shareholders vote in favour of the resolutions relating to the TCP Conditional Share Plan at the General Meeting.

- 17.3 Each of the Directors who holds TCP Shares as contemplated in paragraph 9.6 intends (to the extent that such Director is entitled to vote thereon) to vote in favour of the resolutions relating to the Transaction on the one hand, and the resolutions relating to the TCP Conditional Share Plan on the other.
- 17.4 In terms of Regulation 106(7)(a) of the Regulations, the Board confirms that no offer has been received by the Company in the six months preceding the Last Practicable Date.
- 17.5 The JMR Trusts will be precluded from voting (where applicable) on all the resolutions required to approve the TCP Specific Issue of Shares for Cash (including the White Wash Resolution, the special resolutions in terms of s41(1) and s44(3) of the Companies Act and the ordinary resolution relating thereto). The JMR Trusts will however be permitted to vote on the resolutions required to approve the TCP Conditional Share Plan.
- 17.6 It is recommended that TCP Shareholders consult their professional advisers regarding the action to be taken in relation to the Transaction.

## 18. GENERAL MEETING

- 18.1 The General Meeting will take place at 09:00 on Thursday, 20 October 2016 at 230 Jan Smuts Avenue (Corner Bompas Road), Dunkeld West, Johannesburg, to consider and if deemed fit to pass, with or without modification, the resolutions necessary to effect the Transaction and the TCP Conditional Share Plan.
- 18.2 A notice convening the General Meeting and a Form of Proxy, for use by Certificated Shareholders and own-name Dematerialised Shareholders, are attached to and form part of this Circular.

## 19. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents in relation to TCP and where applicable, its Major Subsidiaries will be available for inspection at the Company's registered office, the details of which are set out in the 'TCP Corporate information and advisers' section of the Circular during normal business hours from Wednesday, 21 September 2016 to Thursday, 20 October 2016:

- 19.1 the TCP Subscription Agreement;
- 19.2 the Exchange Agreement;
- 19.3 the Rules in respect of the proposed TCP Conditional Share Plan;
- 19.4 the Memorandum of Incorporation of TCP;
- 19.5 the Memorandum of Incorporation of SA Taxi Holdings;
- 19.6 the Memorandum of Incorporation of MBD Holdings;
- 19.7 the existing Memorandum of Incorporation of JMRH and the draft Memorandum of Incorporation of JMRH which is intended to apply after the implementation of the Transaction;
- 19.8 the consent letters referred to in paragraph 16;
- 19.9 the approval letter from the TRP in respect of the distribution of this Circular;
- 19.10 Independent Reporting Accountants' report on the *pro forma* financial information of TCP;
- 19.11 the audited financial information of TCP for the years ended 30 September 2015, 30 September 2014 and 30 September 2013, and the audited interim financial information of TCP for the six months ended 31 March 2016;
- 19.12 a signed copy of the Independent Expert's fair and reasonable opinion in terms of Regulation 86(7) of the Regulations contained in Annexure 1 to this Circular; and
- 19.13 a signed copy of this Circular.

Signed at Johannesburg on behalf of the Board and the JMRH Board on 21 September 2016 in terms of resolutions passed by the Board and the JMRH Board

By order of the Boards

**Transaction Capital Limited**

**Ronen Goldstein**

*Financial Director*

21 September 2016

**Registered office**

230 Jan Smuts Avenue (Corner Bompas Road)

Dunkeld West

Johannesburg

2196

**JMR Holdings Proprietary Limited**

**Jonathan Jawno**

*Director*

21 September 2016

**Registered office**

230 Jan Smuts Avenue (Corner Bompas Road)

Dunkeld West

Johannesburg

2196



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## INDEPENDENT EXPERT'S FAIR AND REASONABLE OPINION

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The Independent Board of Directors  
Transaction Capital Limited  
230 Jan Smuts Avenue  
Dunkeld West  
Johannesburg  
2196

14 September 2016

Dear Sirs

### FAIR AND REASONABLE OPINION ON THE WAIVER OF A MANDATORY OFFER

#### Introduction

The following transactions are taking place:

- The Kimberley Investment Trust ("KIT"), the Rutland Trust ("RT") and the Sugar Tube Trust ("STT") (collectively "the JMR Trusts") each hold approximately 14.38% of the issued share capital of Transaction Capital Limited ("TCP" or "the Company") and in aggregate hold approximately 43.15% of the issued share capital of TCP.
- In terms of an exchange agreement dated 31 August 2016 entered into between the JMR Trusts and JMR Holdings (Pty) Ltd ("JMRH") ("the Exchange Agreement"), the JMR Trusts will each transfer all of the TCP shares held by them to JMRH by way of an exchange and in exchange for the allotment and issue of new ordinary shares in JMRH to the JMR Trusts ("the Restructure").
- In terms of a subscription agreement dated 31 August 2016 entered into between TCP and JMRH ("the Subscription Agreement"), JMRH shall subscribe for 3 377 821 ordinary shares of no par value in the share capital of TCP ("TCP Subscription Shares"), and TCP shall allot and issue such TCP shares to JMRH as a specific issue of shares for cash in accordance with the applicable requirements of the JSE Limited ("JSE") Listings Requirements and the provisions of the Companies Act, 2008 (Act 71 of 2008), as amended ("Companies Act") ("the TCP Specific Issue of Shares for Cash").
- The aggregate subscription consideration for the TCP Subscription Shares is equal to the higher of (i) R11,65 per ordinary share of no par value in the share capital of TCP ("TCP Share") and (ii) the volume weighted average closing price ("VWAP") of the TCP Shares traded on the JSE over the 30 trading day period immediately preceding 31 August 2016 2016, being the date of signature of the Subscription Agreement, multiplied by the number of TCP Subscription Shares ("TCP Subscription Consideration").

(The Restructure and the TCP Specific Issue of Shares for Cash are collectively defined as "the Transaction")

- The implementation of the Transaction will result in JMRH acquiring 250 000 000 TCP Shares which equals approximately 43.48% of the issued share capital of TCP immediately after the implementation of the Transaction.
- As a result, the Transaction would ordinarily require a mandatory offer, as contemplated in section 123 of the Companies Act, which essentially provides, under the heading "the Mandatory Offer", *inter alia*, that a person who acquires a beneficial interest in the voting rights attached to any securities of a regulated company (and, as a result of that acquisition, that person is able to exercise at least the "prescribed percentage" (currently 35%) of all the voting rights attached to the securities of that company), shall, *inter alia*, offer to acquire (from the holders of the remaining securities of that company) any remaining securities of the company, on the terms determined by the Companies Act and the regulations promulgated in terms of section 223 of the Companies Act, published under GN R351 in GG 34239 of 26 April 2011 ("Regulations") ("Mandatory Offer").

- The Mandatory Offer by JMRH, and any other party acting in concert with it, to acquire the remaining TCP Shares not acquired by JMRH following the implementation of the Transaction is to be concluded at the same price as that envisaged in the Exchange Agreement (being R13.50 which price per TCP Share includes a control premium) unless the Mandatory Offer is waived in accordance with regulation 86(4) of the Regulations (“Waiver of Mandatory Offer”).
- The issue of the TCP Subscription Shares to JMRH in terms of the TCP Subscription Agreement and the requirement for the TCP shareholders’ approval of the Waiver of Mandatory Offer is indivisibly linked to the Restructure envisaged in the Exchange Agreement.

Regulation 86(7) of the Regulations requires a fair and reasonable opinion to be performed relating to the Waiver of Mandatory Offer. We have agreed to provide the fair and reasonable opinion in this regard.

Full details of the Transaction are set out in the circular to be issued to TCP shareholders on or about 21 September 2016 (“the Circular”). Terms defined in the Circular have, unless the context requires otherwise, the same meanings in this report as given to them elsewhere in the Circular.

### **Responsibility**

The Circular and compliance with the Companies Act and the Regulations is the responsibility of the directors of TCP and the Independent Board. Our responsibility is to report on the fairness and reasonableness of the terms and conditions of the Waiver of Mandatory Offer in accordance with the Companies Act and Regulations.

### **Meaning of fair and reasonable in terms of the Companies Act and Regulations**

In the context of the Transaction, fairness will be considered based on quantitative issues and reasonableness on qualitative issues. For illustrative purposes, in the case of a waiver of a mandatory offer to minority shareholders, such waiver may be said to be fair if the fair market value of a minority shareholder’s interest prior to the transaction necessitating the waiver is equal to or less than the fair market value post the implementation of the transaction necessitating the waiver. In other instances, a waiver may be said to be reasonable after considering other significant qualitative factors.

In preparing our opinion we will apply the aforementioned principles.

### **Sources of information**

We have relied on information from the following sources in arriving at our opinions:

- the historic financial information of TCP including annual financial statements and year to date management accounts (“Historic Financial Information”);
- the forecast financial information of TCP for the financial year ending 30 September 2016 (“the Forecast”);
- the historic share price of TCP as traded on the main board of the JSE;
- the Exchange Agreement and the Subscription Agreement;
- the Circular and announcements to be issued in terms of the Transaction;
- the management representation letter issued to us in terms of the opinion;
- information and assumptions made available by and discussions held with the directors and management of TCP; and
- the terms and conditions of and rationale for the Transaction.

Where practical, we have corroborated the reasonability of the information provided to us for the purposes of our opinion, including publicly available information, whether in writing or obtained in discussion with management of TCP. Where possible, such information has been substantiated by reference to supporting documentation and other corroborating evidence. Whilst our work has involved an analysis of the financial information, as provided to us, our engagement does not constitute, nor does it include an audit or review in accordance with International Standards on Auditing. We have not and we do not assume responsibility or liability for such information.

### **Scope and factors considered**

In preparing our opinion on the Waiver of Mandatory Offer we have:

- Reviewed the Historic Financial Information.
- Reviewed the terms and conditions of the Transaction as detailed in the Circular and in the Exchange Agreement and the Subscription Agreement.

- We considered the rationale for the Transaction, as disclosed in section 6 of the Circular, which sets out the qualitative benefits to TCP and its stakeholders. Although these qualitative benefits are unable to be quantified and factored into a valuation, as a result of the Transaction there will be a long-term benefit to TCP and all of its stakeholders (including its direct and indirect shareholders).
- Reviewed the pro-forma financial effects relating to the Transaction as detailed in the Circular.
- Reviewed the Forecast and obtained an understanding of the basis on which the Forecast was prepared.
- Reviewed the assumptions applied in the Forecast for reasonableness through discussions with management of TCP as well as through comparison with the Historical Financial Information.
- Checked the arithmetical accuracy of the Forecast.
- Performed an independent valuation of the TCP Shares before and after the implementation of the Transaction. The valuation was performed using a capitalisation of maintainable earnings (“CME”) methodology whereby a suitable capitalisation rate is applied to the forecast maintainable earnings of the Company to determine the value of the TCP Shares.
- The key assumption applied in performing the valuation is the capitalisation rate of 7.3%.
- Key internal value drivers included in the Forecast were:
  - the Company’s capital adequacy ratios;
  - the Company’s net interest margin;
  - the Company’s average cost of borrowings; and
  - the Company’s credit loss ratio %.
- Key external value drivers which were also considered in assessing the forecast maintainable earnings and risk profile of TCP were:
  - forecast gross domestic product growth rates;
  - current and forecast consumer price index rates; and
  - selected sector data and prevailing market and industry conditions.
- A range of final valuation values attributable to the TCP Shares has been considered. The range has been calculated based on an increase, and corresponding decrease, in the capitalisation rate used in the CME valuation by 0.5%. The value of a TCP Share taking this into account is R10.93 to R12.33 with a core value of R11.58 used for purposes of expressing our opinion before the implementation of the Transaction. The value of a TCP Share taking this into account does not change after the implementation of the Transaction.
- We have performed a sensitivity analysis on our valuation.
- We performed a reasonability check on the valuation of the TCP Shares by considering the relative value method in terms of which an appropriate and comparable market multiples are applied to the forecast maintainable earnings of TCP to obtain a market value of the TCP Shares.
- We considered the volume of TCP Shares traded and the historic share price of TCP Shares as traded on the main board of the JSE.
- We considered that the issue of the TCP Subscription Shares to JMRH in terms of the TCP Subscription Agreement and the requirement for the TCP shareholders’ approval of the Waiver of Mandatory Offer is indivisibly linked to the Restructure envisaged in the Exchange Agreement.
- We considered TCP’s management representation letter obtained in respect of the opinion which confirms the following:
  - management are not aware of any price sensitive information (as defined in the JSE Listings Requirements) which if made public would be reasonably likely to have a material effect on the price of TCP securities; and
  - the Forecast is management’s best estimate of the results of TCP for the forecast period.

#### **Additional disclosure required in accordance with section 114 (3) of the Companies Act**

In accordance with section 114(3) of the Companies Act we disclose the following information:

- The prescribed information relevant to the value of the securities affected by the Transaction have been documented in the ‘*scope and factors considered*’ section above.
- Prior to the implementation of the Transaction the Company has 571 534 125 TCP Shares in issue (based on information available at the last practicable date, as defined in the Circular). After the implementation of the Transaction the Company will have 574 911 946 TCP Shares in issue and additional cash on hand equal to the TCP Subscription Consideration. Therefore all holders of TCP Shares will be affected by the Transaction.

- After the implementation of the Transaction the JMR Trusts will not hold any direct interest in the issued share capital of TCP.
- JMRH will hold approximately 43.48% of the issued share capital of TCP immediately after the implementation of the Transaction.
- Other than the qualitative benefits of the Transaction to TCP, as disclosed in section 6 of the Circular, we do not consider there to be any probable beneficial and significant material effects of the Transaction on the business and prospects of the Company.
- The table below sets out the direct and indirect beneficial holdings of TCP Shares by the board of directors of the Company (and their associates) as at the last practicable date, including any directors who have resigned during the last 18 months, before the implementation of the Transaction.

	# '000	Shareholding (%)
<i>Non-beneficial holdings</i>		
D M Hurwitz	2 605	<1
J M Jawno	82 207	14.38
M P Mendelowitz	82 207	14.38
R Rossi	82 207	14.38
C Seabrooke	10 000	1.75
S Zagnoev*	0	0
<i>Beneficial holdings</i>		
R Goldstein**	3	<1
D M Hurwitz	125	<1
M D Herskovits	839	<1
D F Woollam	1 450	<1
<b>Total</b>	<b>261 643</b>	
No. of issued shares	571 534	
Percentage of issued shares	45.78%	

\* Shaun Zagnoev, representing Ethos Technology Fund I and Ethos Private Equity Fund V, resigned as a director on 8 December 2015 post the sale of all of Ethos Technology Fund I's shareholding and Ethos Private Equity Fund V's shareholding in TCP.

\*\* R Goldstein appointed as a director with effect from 1 August 2016.

- The table below sets out the direct and indirect beneficial holdings of TCP Shares by the board of directors of the Company (and their associates) based on information as at the last practicable date, including any directors who have resigned during the last 18 months, after the implementation of the Transaction.

	# '000	Shareholding (%)
<i>Non-beneficial holdings</i>		
D M Hurwitz	2 605	<1
J M Jawno*	83 333	14.49
M P Mendelowitz*	83 333	14.49
R Rossi*	83 333	14.49
C Seabrooke	10 000	1.74
S Zagnoev**	0	0
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M D Herskovits	839	<1
D F Woollam	1 450	<1
<b>Total</b>	<b>265 021</b>	
No. of issued shares	574 912	
Percentage of issued shares	46.10%	

\* Held via the JMR Trusts' shareholding in JMRH

\*\* Shaun Zagnoev, representing Ethos Technology Fund I and Ethos Private Equity Fund V, resigned as a director on 8 December 2015 post the sale of all of Ethos Technology Fund I's shareholding and Ethos Private Equity Fund V's shareholding in TCP.

## **Opinion**

Our opinion is based on the economic, regulatory, market and other conditions in effect on, and information made available to us, at the date of our report. Subsequent developments may affect this opinion which we are under no obligation to update, review or re-affirm.

The report on the Waiver of Mandatory Offer is provided solely for the benefit of the board of directors of TCP in connection with and for the purpose of their consideration of the Waiver of Mandatory Offer. It may not be reproduced in any form save with our prior written consent.

In accordance with the Companies Act and Regulations, based upon and subject to the foregoing, we are of the opinion, at 14 September 2016 that the Waiver of Mandatory Offer is fair and reasonable to the shareholders of TCP.

An individual shareholder's decision may be influenced by his or her particular circumstances. This opinion does not purport to cater for each shareholder's circumstances and risk profile, but rather the general body of shareholders taken as a whole. Should a shareholder be in any doubt as to what action to take, he or she should consult an independent advisor.

## **Limiting conditions**

Our valuation of the TCP Shares has been prepared using CME methodology and is dependent on management's forecast. Forecasts in general relate to future events and are based on assumptions that may not correspond with those future events. Whilst we have reviewed the Forecast and are of the opinion that it appears reasonable, we cannot express an opinion as to how closely it will correspond to the actual results. Should the Forecast materially differ from actual results this may have an effect on our valuation to the extent that we may alter our opinion.

## **Conclusion**

We record that no persons who form part of the staff of Grant Thornton Advisory Services Proprietary Limited who are directly or indirectly involved in preparing this fair and reasonable opinion have any interest in:

- the issued share capital of TCP, JMRH or any related parties; and/or
- the success or failure of the Transaction.

The fee payable in connection with these opinions is R140 000 excluding VAT. This fee is not contingent on or related to the outcome of the Transaction.

We further record that Grant Thornton Advisory Services Proprietary Limited has the necessary competence to act as the independent expert for purposes of this opinion.

We hereby consent to the inclusion of this letter in its entirety in the Circular.

Yours faithfully

**Ian Vorster**  
*Director*

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## INDEPENDENT REPORTING ACCOUNTANTS' REPORT ON THE *PRO FORMA* FINANCIAL INFORMATION

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The Directors  
Transaction Capital Limited  
Financial House  
230 Jan Smuts Avenue  
Dunkeld West  
2196

14 September 2016

Dear Sirs/Madam

### **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON THE COMPILATION OF *PRO FORMA* FINANCIAL INFORMATION INCLUDED IN A CIRCULAR**

We have completed our assurance engagement to report on the compilation of *pro forma* financial information of Transaction Capital Limited ("the Company") by the directors. The *pro forma* financial information, as set out in paragraph 12.2 and Annexure 4 of the circular ("the circular"), to be dated on or about 21 September 2016, consists of the *pro forma* consolidated income statement, *pro forma* consolidated statement of comprehensive income and the *pro forma* consolidated statement of financial position and related notes. The *pro forma* financial information has been compiled on the basis of the applicable criteria specified in the JSE Limited (JSE) Listings Requirements.

The *pro forma* financial information has been compiled by the directors to illustrate the impact of the corporate action or event, described in paragraph 1 of the circular, on the company's financial position as at 31 March 2016, and the company's financial performance for the period then ended, as if the corporate action or event had taken place at 1 October 2015, being the commencement date of the financial period for the purposes of the statement of comprehensive income and at 31 March 2016, being the last day of the financial period for the purposes of the statement of financial position. As part of this process, information about the company's financial position and financial performance has been extracted by the directors from the company's financial statements for the period ended 31 March 2016, on which no review or audit report has been published.

#### ***Directors' responsibility for the Pro Forma Financial Information***

The Directors are responsible for compiling the *pro forma* financial information on the basis of the applicable criteria specified in the JSE Listings Requirements and described in paragraph 12.2 and Annexure 4 of the circular.

#### ***Quality control***

The firm applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

#### ***Independence and other ethical requirements***

We have complied with the independence and other ethical requirements of the Independent Regulatory Board for Auditors Code of Professional Conduct for Registered Auditors (IRBA Code), which is consistent with Parts A and B of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, and is founded on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

#### ***Reporting accountant's responsibility***

Our responsibility is to express an opinion about whether the *pro forma* financial information has been compiled, in all material respects, by the directors on the basis specified in the JSE Listings Requirements based on our procedures performed. We conducted our engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3420, *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus* which is applicable to an engagement of this

nature. This standard requires that we comply with ethical requirements and plan and perform our procedures to obtain reasonable assurance about whether the *pro forma* financial information has been compiled, in all material respects, on the basis specified in the JSE Listings Requirements.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the *pro forma* financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the *pro forma* financial information.

As the purpose of *pro forma* financial information included in a circular is solely to illustrate the impact of a significant corporate action or event on unadjusted financial information of the entity as if the corporate action or event had occurred or had been undertaken at an earlier date selected for purposes of the illustration, we do not provide any assurance that the actual outcome of the event or transaction at 31 March 2016 would have been as presented.

A reasonable assurance engagement to report on whether the *pro forma* financial information has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used in the compilation of the *pro forma* financial information provides a reasonable basis for presenting the significant effects directly attributable to the corporate action or event, and to obtain sufficient appropriate evidence about whether:

- The related *pro forma* adjustments give appropriate effect to those criteria; and
- The *pro forma* financial information reflects the proper application of those adjustments to the unadjusted financial information.

Our procedures selected depend on our judgement, having regard to our understanding of the nature of the company, the corporate action or event in respect of which the *pro forma* financial information has been compiled, and other relevant engagement circumstances.

Our engagement also involves evaluating the overall presentation of the *pro forma* financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Opinion**

In our opinion, the *pro forma* financial information has been compiled, in all material respects, on the basis of the applicable criteria specified by the JSE Listings Requirements and described in paragraph 12.2 and Annexure 4 of the circular.

**Deloitte & Touche**  
*Registered Auditors*

**Vuyelwa Sangoni**  
Partner  
14 September 2016

Deloitte Place  
The Woodlands  
20 Woodlands Drive  
Woodmead  
Sandton  
2196

National Executive: LL Bam (Chief Executive Officer) TMM Jordan (Deputy Chief Executive Officer)  
MJ Jarvis (Chief Operating Officer) GM Pinnock (Audit) N Sing (Risk Advisory) NB Kader (Tax) TP Pillay  
(Consulting) S Gwala (BPaas) K Black (Clients & Industries) JK Mazzocco (Talent & Transformation)  
MJ Comber (Reputation & Risk) TJ Brown (Chairman of the Board)

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**EXTRACT OF AUDITED HISTORICAL FINANCIAL INFORMATION OF TRANSACTION CAPITAL LIMITED FOR THE YEARS ENDED 30 SEPTEMBER 2013, 30 SEPTEMBER 2014 AND 20 SEPTEMBER 2015**

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**Complete sets of the financial statements are available on the Transaction Capital website:**

**[www.transactioncapital.co.za](http://www.transactioncapital.co.za)**

**Accounting policies**

The financial statements of Transaction Capital Limited ('the company'), and the company and its subsidiaries ('the group') are prepared in accordance with International Financial Reporting Standards ('IFRS'), interpretations issued by the International Financial Reporting Interpretations Committee ('IFRIC'), the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council, AC 500 standards as issued by the Accounting Practices Board, the Johannesburg Stock Exchange ('JSE') Listings Requirements, the going-concern principle and the requirements of the South African Companies Act, 71 of 2008.

**Statement of compliance**

The consolidated financial statements have been prepared on the historical cost basis except for the derivative financial instruments which are measured at fair value.

The company and group statements of financial position are presented in order of liquidity. Reference to the current maturities of these financial assets and liabilities are disclosed in the statement of financial position notes and in the analysis of financial assets and liabilities. The accounting policies are consistent with the previous years with the exception of the adoption of IFRS 9 as at 30 September 2015.

The financial statements for 30 September 2014 and 30 September 2013 were not restated on a IFRS 9 basis.

The *pro forma* financial information with the effects of the adoption of IFRS 9 on the financial position of Transaction Capital as at 30 September 2014 is available on the Transaction Capital website.



**STATEMENT OF FINANCIAL POSITION AT 30 SEPTEMBER 2013, 30 SEPTEMBER 2014, AND 30 SEPTEMBER 2015**

	Consolidated			Company		
	Audited 2015 Rm	Audited 2014 Rm	Audited 2013 Rm	Audited 2015 Rm	Audited 2014 Rm	Audited 2013 Rm
<b>Assets</b>						
Cash and cash equivalents	1 169	1 345	673	518	1 048	32
Tax receivables	27	17	64	1	–	–
Trade and other receivables	621	493	505	1	–	4
Inventories	21	4	85	–	–	–
Loans and advances	6 160	6 386	10 232	–	–	–
Purchased book debts	561	552	420	–	–	–
Other loans receivable	257	293	280	–	–	–
Equity accounted investments	–	7	4	–	–	–
Other investments	343	238	481	–	–	–
Intangible assets	32	19	21	–	–	–
Property and equipment	60	51	96	–	–	–
Goodwill	197	192	594	–	–	–
Deferred tax assets	255	93	107	–	–	–
Non-current assets classified as held for sale	–	–	769	–	–	5
Investment in subsidiaries	–	–	–	2 352	2 010	3 094
<b>Total assets</b>	<b>9 703</b>	<b>9 690</b>	<b>14 331</b>	<b>2 872</b>	<b>3 058</b>	<b>3 135</b>
<b>Liabilities</b>						
Bank overdrafts	52	101	71	–	–	–
Tax payables	13	2	2	1	1	–
Trade and other payables	253	242	361	5	5	4
Provisions	17	18	27	1	1	2
Interest-bearing liabilities	6 640	6 178	9 601	776	924	922
Senior debt	5 446	4 911	7 470	–	–	–
Subordinated debt	1 194	1 267	2 131	776	924	922
Deferred tax liabilities	117	186	194	–	–	–
<b>Total liabilities</b>	<b>7 092</b>	<b>6 727</b>	<b>10 436</b>	<b>783</b>	<b>931</b>	<b>928</b>
<b>Equity</b>						
Ordinary share capital and premium	468	483	1 779	481	498	1 779
Reserves	122	96	385	26	14	–
Retained earnings	1 991	2 384	1 551	1 582	1 615	428
<b>Equity attributable to ordinary equity holders of the parent</b>	<b>2 581</b>	<b>2 963</b>	<b>3 715</b>	<b>2 089</b>	<b>2 127</b>	<b>2 207</b>
Non-controlling interests	30	–	180	–	–	–
Total equity	2 611	2 963	3 895	2 089	2 127	2 207
<b>Total equity and liabilities</b>	<b>9 703</b>	<b>9 690</b>	<b>14 331</b>	<b>2 872</b>	<b>3 058</b>	<b>3 135</b>

**INCOME STATEMENT FOR THE YEARS ENDED 30 SEPTEMBER 2013,  
30 SEPTEMBER 2014, AND 30 SEPTEMBER 2015**

	Consolidated			Company		
	2015 Audited Rm	2014 Audited Rm	2013 Audited Rm	2015 Audited Rm	2014 Audited Rm	2013 Audited Rm
Interest and other similar income	1 504	1 413	1 225	120	143	74
Interest and other similar expense	(683)	(599)	(539)	(100)	(104)	(64)
Net interest income	821	814	686	20	39	10
Impairment of loans and advances	(233)	(322)	(283)	–	–	–
<b>Risk adjusted net interest income</b>	588	492	403	20	39	10
Non-interest revenue	1 195	1 133	1 023	97	1 269	133
Total operating costs	(1 295)	(1 220)	(1 071)	(13)	(3)	(4)
Non-operating profit	14	1	–	–	–	–
Equity accounted income	(3)	3	4	–	–	–
<b>Profit before tax</b>	499	409	359	104	1 305	139
Income tax expense	(94)	(79)	(76)	(3)	(14)	(5)
<b>Profit from continuing operations</b>	405	330	283	101	1 291	134
Profit from discontinued operations	–	607	303	–	–	–
<b>Profit for the year</b>	405	937	586	101	1 291	134
<b>Profit for the year from continuing operations attributable to:</b>						
Ordinary equity holders of the parent	401	330	283	101	1 291	134
Non-controlling interests	4	–	–	–	–	–
<b>Profit for the year from discontinued operations attributable to:</b>						
Ordinary equity holders of the parent	–	607	261	–	–	–
Non-controlling interests	–	–	42	–	–	–
	<b>–</b>	<b>607</b>	<b>303</b>	<b>101</b>	<b>1 291</b>	<b>134</b>

**STATEMENT OF COMPREHENSIVE INCOME AT 30 SEPTEMBER 2013,  
30 SEPTEMBER 2014, AND 30 SEPTEMBER 2015**

	Consolidated			Company		
	2015 Audited Rm	2014 Audited Rm	2013 Audited Rm	2015 Audited Rm	2014 Audited Rm	2013 Audited Rm
<b>Profit for the year</b>						
<b>Other comprehensive income</b>	405	937	586	101	1 291	134
Movement in cash flow hedging reserve	–	–	7	–	–	–
Fair value (losses)/ gains arising during the year	(1)	<1	10	–	–	–
Deferred tax	<1	<1	(3)	–	–	–
Other comprehensive income from discontinued operations	–	–	45	–	–	–
Fair value gains/(losses) arising on valuation of equity instrument held at fair value	15	(48)	70	–	–	–
<b>Total comprehensive income for the year</b>	<b>419</b>	<b>889</b>	<b>708</b>	<b>101</b>	<b>1 291</b>	<b>134</b>
<b>Total comprehensive income attributable to:</b>						
Ordinary equity holders of the parent	415	889	659	101	1 291	134
Non-controlling interests	4	–	49	–	–	–
	<b>419</b>	<b>889</b>	<b>708</b>	<b>101</b>	<b>1 291</b>	<b>134</b>

**CONSOLIDATED STATEMENT OF CHANGES OF EQUITY FOR THE YEAR ENDED 30 SEPTEMBER 2013,  
30 SEPTEMBER 2014, AND 30 SEPTEMBER 2015**

	Number of ordinary shares million	Share capital and share premium Rm	Cash flow hedging reserve Rm	Fair value reserve Rm	Share-based payment reserve Rm	Retained earnings Rm	Ordinary equity holders of the parent Rm	Non-controlling interests Rm	Total equity Rm
<b>Balance at 30 September 2012 Audited</b>	<b>584</b>	<b>1 792</b>	<b>(3)</b>	<b>271</b>	<b>-</b>	<b>1 112</b>	<b>3 172</b>	<b>132</b>	<b>3 304</b>
Total comprehensive income	-	-	7	108	-	544	659	49	708
Profit for the year	-	-	-	-	-	544	544	42	586
Other comprehensive income	-	-	7	108	-	-	115	7	122
Recognition of share appreciation rights	-	-	-	-	2	-	2	-	2
Dividends paid	-	-	-	-	-	(105)	(105)	-	(105)
Transactions with non-controlling equity holders	-	-	-	-	-	-	-	(1)	(1)
Repurchase of shares	(1)	(13)	-	-	-	-	(13)	-	(13)
<b>Balance at 30 September 2013 Audited</b>	<b>583</b>	<b>1 779</b>	<b>4</b>	<b>379</b>	<b>2</b>	<b>1 551</b>	<b>3 715</b>	<b>180</b>	<b>3 895</b>
Total comprehensive income	-	-	-	(48)	-	937	889	-	889
Profit for the year	-	-	-	-	-	937	937	-	937
Other comprehensive income	-	-	-	(48)	-	-	(48)	-	(48)
Recognition of share appreciation rights	-	-	-	-	12	-	12	-	12
Dividends paid	-	-	-	-	-	(104)	(104)	-	(104)
Repurchase of treasury shares	(3)	(15)	-	-	-	-	(15)	-	(15)
Repurchase of shares	(10)	(72)	-	-	-	-	(72)	-	(72)
Capital distribution	-	(1 209)	-	-	-	-	(1 209)	-	(1 209)
Disposal of subsidiary companies	-	-	-	(253)	-	-	(253)	(180)	(433)

	Number of ordinary shares million	Share capital and share premium Rm	Cash flow hedging reserve Rm	Fair value reserve Rm	Share-based payment reserve Rm	Retained earnings Rm	Ordinary equity holders of the parent Rm	Non-controlling interests Rm	Total equity Rm
<b>Balance at 30 September 2014 Audited</b>	<b>570</b>	<b>483</b>	<b>4</b>	<b>78</b>	<b>14</b>	<b>2 384</b>	<b>2 963</b>	<b>–</b>	<b>2 963</b>
IFRS 9 transitional adjustments	–	–	–	–	–	(672)	(672)	–	(672)
Revised opening balance	570	483	4	78	14	1 712	2 291	–	2 291
Total comprehensive income	–	–	(1)	15	–	401	415	4	419
Profit for the year	–	–	–	–	–	401	401	4	405
Other comprehensive income	–	–	(1)	15	–	–	14	–	14
Recognition of share appreciation rights	–	–	–	–	16	–	16	–	16
Share appreciation rights – settlements	–	–	–	–	(4)	(8)	(12)	–	(12)
Dividends paid	–	–	–	–	–	(114)	(114)	–	(114)
Transactions with non-controlling equity holders	–	–	–	–	–	–	–	26	26
Issue of shares	1	12	–	–	–	–	12	–	12
Repurchase of shares	(3)	(27)	–	–	–	–	(27)	–	(27)
<b>Balance at 30 September 2015 Audited</b>	<b>568</b>	<b>468</b>	<b>3</b>	<b>93</b>	<b>26</b>	<b>1 991</b>	<b>2 581</b>	<b>30</b>	<b>2 611</b>

**COMPANY STATEMENT OF CHANGES OF EQUITY FOR THE YEAR  
30 SEPTEMBER 2015**

	Number of ordinary shares million	Share capital and share premium Rm	Share- based payment reserve Rm	Retained earnings Rm	Total equity Rm
<b>Balance at 30 September 2012</b>					
<b>Audited</b>	<b>584</b>	<b>1 792</b>	<b>–</b>	<b>399</b>	<b>2 191</b>
Total comprehensive income	–	–	–	134	134
Profit for the year	–	–	–	134	134
Other comprehensive income	–	–	–	–	–
Recognition of share appreciation rights	–	–	–	–	–
Dividends paid	–	–	–	(105)	(105)
Repurchase of shares	(1)	(13)	–	–	(13)
<b>Balance at 30 September 2013</b>					
<b>Audited</b>	<b>583</b>	<b>1 779</b>	<b>–</b>	<b>428</b>	<b>2 207</b>
Total comprehensive income	–	–	–	1 291	1 291
Profit for the year	–	–	–	1 291	1 291
Other comprehensive income	–	–	–	–	–
Share appreciation rights - IFRS 2 investment in subsidiaries	–	–	14	–	14
Dividends paid	–	–	–	(104)	(104)
Repurchase of shares	(10)	(72)	–	–	(72)
Capital distribution	–	(1 209)	–	–	(1 209)
<b>Balance at 30 September 2014</b>					
<b>Audited</b>	<b>573</b>	<b>498</b>	<b>14</b>	<b>1 615</b>	<b>2 127</b>
Total comprehensive income	–	–	–	101	101
Profit for the year	–	–	–	101	101
Other comprehensive income	–	–	–	–	–
Share appreciation rights - IFRS 2 investment in subsidiaries	–	–	12	–	12
Dividends paid	–	–	–	(134)	(134)
Issue of shares	1	12	–	–	12
Repurchase of shares	(6)	(29)	–	–	(29)
<b>Balance at 30 September 2015</b>					
<b>Audited</b>	<b>568</b>	<b>481</b>	<b>26</b>	<b>1 582</b>	<b>2 089</b>

**STATEMENT OF CHANGES IN CASH FLOWS FOR THE YEAR ENDED  
30 SEPTEMBER 2013, 30 SEPTEMBER 2014, AND SEPTEMBER 2015**

	Consolidated			Company		
	2015	2014	2013	2015	2014	2013
	Audited	Audited	Audited	Audited	Audited	Audited
	Rm	Rm	Rm	Rm	Rm	Rm
<b>Cash flow from operating activities</b>						
Cash generated by operations	796	697	668	14	45	12
Income taxes paid	(66)	(53)	(44)	(4)	(8)	–
Dividends received from discontinued operations	–	4	44	–	–	–
Dividends received from continuing operations	107	128	67	90	76	120
Dividends paid	(114)	(104)	(105)	(134)	(104)	(105)
<b>Cash flow from operating activities before changes in operating assets and liabilities</b>	<b>723</b>	<b>672</b>	<b>630</b>	<b>(34)</b>	<b>9</b>	<b>27</b>
<b>Increase in operating assets and liabilities</b>	<b>(594)</b>	<b>(601)</b>	<b>(539)</b>	<b>–</b>	<b>–</b>	<b>–</b>
Loans and advances	(857)	(1 091)	(3 177)	–	–	–
Purchased book debts	(199)	(214)	(119)	–	–	–
Net proceeds from interest-bearing liabilities	462	704	2 757	–	–	–
<b>Increase in working capital</b>	<b>(137)</b>	<b>(139)</b>	<b>(263)</b>	<b>(1)</b>	<b>6</b>	<b>(14)</b>
Inventories	(17)	(2)	–	–	–	–
Trade and other receivables	(131)	(92)	(112)	(1)	4	(3)
Trade and other payables	11	(45)	(151)	–	2	(11)
<b>Net cash utilised by operating activities</b>	<b>(8)</b>	<b>(68)</b>	<b>(172)</b>	<b>(35)</b>	<b>15</b>	<b>13</b>
<b>Cash flow from investing activities</b>						
Disposal of joint venture/subsidiary companies	16	2 264	–	–	–	–
Additional investment in subsidiaries	–	–	–	(288)	(298)	–
Business combinations	(5)	–	–	–	–	–
Acquisition of property and equipment	(28)	(21)	(25)	–	–	–
Acquisition of intangible assets	(20)	(15)	(8)	–	–	–
Disposal of property and equipment	–	–	2	–	–	–
Increase in unlisted investment	(90)	(110)	(50)	–	–	–
Re-classification of group loans	–	280	–	–	–	–
Increase in other loans receivable	35	(13)	(52)	–	–	–
Net (increase)/ decrease in inter-company loans	–	–	–	(54)	302	(444)
Proceeds on disposal of investments	–	–	–	–	2 264	–
<b>Net cash (utilised)/generated by investing activities</b>	<b>(92)</b>	<b>2 385</b>	<b>(133)</b>	<b>(342)</b>	<b>2 268</b>	<b>(444)</b>

	Consolidated			Company		
	2015 Audited Rm	2014 Audited Rm	2013 Audited Rm	2015 Audited Rm	2014 Audited Rm	2013 Audited Rm
<b>Cash flow from financing activities</b>						
Repurchase of shares	(27)	(72)	–	(29)	(72)	(13)
Issue of shares	–	–	–	12	–	–
Repurchase of treasury shares	–	(15)	(13)	–	–	–
Capital distribution	–	(1 209)	–	–	(1 209)	–
Net proceeds from raising of interest-bearing liabilities	–	–	–	–	–	473
Settlement of interest-bearing liabilities	–	–	–	(148)	–	–
Movement in share appreciation rights reserve	–	–	–	12	14	–
<b>Net cash utilised by financing activities</b>	<b>(27)</b>	<b>(1 296)</b>	<b>(13)</b>	<b>(153)</b>	<b>(1 267)</b>	<b>460</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(127)</b>	<b>1 021</b>	<b>(318)</b>	<b>(530)</b>	<b>1 016</b>	<b>29</b>
Cash and cash equivalents at beginning of the year	1 244	223	541	1 048	32	3
<b>Cash and cash equivalents at end of year</b>	<b>1 117</b>	<b>1 244</b>	<b>223</b>	<b>518</b>	<b>1 048</b>	<b>32</b>
<b>Cash flows from discontinued operations:</b>						
<b>Net decrease in cash and cash equivalents</b>	–	(180)	47	–	–	–
Cash and cash equivalents at beginning of the year	–	449	402	–	–	–
<b>Cash and cash equivalents at the date of disposal/end of the year</b>	<b>–</b>	<b>269</b>	<b>449</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total cash and cash equivalents at the end of the year</b>	<b>1 117</b>	<b>1 244</b>	<b>672</b>	<b>518</b>	<b>1 048</b>	<b>32</b>



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**SUMMARISED CONSOLIDATED STATEMENT OF FINANCIAL POSITION FOR  
THE SIX MONTHS ENDED 31 MARCH 2016**

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	<b>2016 Unaudited Rm</b>
<b>Assets</b>	
Cash and cash equivalents	965
Tax receivables	24
Trade and other receivables	546
Inventories	97
Loans and advances	6 601
Purchased book debts	571
Other loans receivable	40
Equity accounted investments	–
Other investments	425
Intangible assets	43
Property and equipment	65
Goodwill	200
Deferred tax assets	249
<b>Total assets</b>	<b>9 826</b>
<b>Liabilities</b>	
Bank overdrafts	22
Tax payables	32
Trade and other payables	203
Provisions	12
Interest-bearing liabilities	6 691
Senior debt	5 523
Subordinated debt	1 168
Deferred tax liabilities	127
<b>Total liabilities</b>	<b>7 087</b>
<b>Equity</b>	
Ordinary share capital and premium	460
Reserves	113
Retained earnings	2 134
<b>Equity attributable to ordinary equity holders of the parent</b>	<b>2 707</b>
Non-controlling interests	32
Total equity	2 739
<b>Total equity and liabilities</b>	<b>9 826</b>

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**SUMMARISED CONSOLIDATED INCOME STATEMENT FOR THE HALF YEAR ENDED 31 MARCH 2016**

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	<b>2016 Unaudited Rm</b>
Interest and other similar income	806
Interest and other similar expense	(377)
<b>Net interest income</b>	<b>429</b>
Impairment of loans and advances	(112)
<b>Risk adjusted net interest income</b>	<b>317</b>
Non-interest revenue	611
Operating costs	(656)
Non-operating profit	2
Equity accounted earnings	–
<b>Profit before tax</b>	<b>274</b>
Income tax expense	(62)
<b>Profit for the period</b>	<b>212</b>
Attributable to non-controlling equity holders	(2)
Attributable to ordinary equity holders of the parent	210

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## SUMMARISED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE HALF YEAR 31 MARCH 2016

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	<b>2016 Unaudited Rm</b>
<b>Profit for the year</b>	<b>212</b>
<b>Other comprehensive income</b>	<b>(17)</b>
Fair value losses arising on the cash flow hedge during the year	(3)
Deferred tax	<1
Fair value gains/(losses) arising on valuation of assets held at fair value through OCI	(14)
<b>Total comprehensive income for the year</b>	<b>195</b>
Attributable to non-controlling equity holders	2
	193

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## SUMMARISED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY HALF YEAR 31 MARCH 2016

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	Share capital and premium	Other reserves	Retained earnings	Ordinary shareholders equity	Non- controlling interests	Total equity
<b>Balance at 30 September 2015</b>						
<b>Audited</b>	<b>468</b>	<b>122</b>	<b>1 991</b>	<b>2 581</b>	<b>30</b>	<b>2 611</b>
Total comprehensive income	–	(17)	210	193	2	195
Profit for the year	–	–	210	210	2	212
Other comprehensive income for the year	–	(17)	–	(17)	–	(17)
Dividends paid	–	–	(67)	(67)	–	(67)
Grant of share appreciation rights	–	8	–	8	–	8
Repurchase of shares	(8)	–	–	(8)	–	(8)
<b>Balance at 31 March 2016</b>						
<b>Unaudited</b>	<b>460</b>	<b>113</b>	<b>2 134</b>	<b>2 707</b>	<b>32</b>	<b>2 739</b>

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**SUMMARISED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**31 MARCH 2016**

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	<b>2016</b>
	<b>Unaudited</b>
	<b>Rm</b>
Net cash utilised by operating activities	347
Net cash (utilised)/generated by investing activities	(25)
Net cash utilised by financing activities	(8)
Dividends paid	(67)
<b>Net (decrease)/ increase in cash and cash equivalents</b>	<b>247</b>
Cash and cash equivalents at the beginning of the year	696
<b>Cash and cash equivalents at end of year</b>	<b>943</b>

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## PRO FORMA FINANCIAL INFORMATION

The *pro forma* financial information is based on Transaction Capital's published interim results for the six months ended 31 March 2016.

The *pro forma* financial information is the responsibility of the directors of Transaction Capital and have been prepared for illustrative purposes only, in order to provide information about the financial position and the results of Transaction Capital, assuming the transaction has been implemented on 1 October 2015, for purposes of the *pro forma* statement of comprehensive income, and on 31 March 2016, for purposes of the *pro forma* statement of financial position. Due to its nature, the *pro forma* financial information may not give a fair reflection of Transaction Capital's financial position, changes in equity, results of operations or cash flows after the transaction. The *pro forma* income statement and the *pro forma* statement of financial position are presented in a manner consistent in all respects with IFRS, in accordance with the accounting policies that were used in the preparation of the group's published interim results for the six months ended 31 March 2016 and the SAICA Guide on *Pro forma* Financial Information, revised and issued in September 2012 ("Applicable Criteria").

The independent reporting accountants' report on the *pro forma* financial information is set out in Annexure 2.

### Pro forma consolidated income statement for the six months ended 31 March 2016

	Unaudited <sup>1</sup> Rm	TCP Specific Issue of Shares for Cash Rm	Pro forma Audited Rm
Interest and other similar income	806		806
Interest and other similar expense	(377)	2	(375)
Net interest income	429	2	431
Impairment of loans and advances	(112)		(112)
<b>Risk adjusted net interest income</b>	317	2	319
Non-interest revenue	611		611
Total operating costs	(656)		(656)
Non-operating profit	2		2
<b>Profit before tax</b>	274	2	276
Income tax expense	(62)	(1)	(63)
<b>Profit for the period</b>	212	1	213
<b>Profit for the period attributable to:</b>			
Ordinary equity holders of the parent	210	1	211
Non-controlling equity holders	2		2

**Pro forma consolidated statement of comprehensive income for the half year ended 31 March 2016**

	Unaudited <sup>1</sup> Rm	TCP Specific Issue of Shares for cash Rm	Pro forma Audited Rm
<b>Profit for the period</b>	212	1	213
<b>Other comprehensive income</b>	(17)	–	(17)
Fair value losses arising on the cash flow hedge during the year	(3)		(3)
Deferred tax	<1		<1
Fair value losses arising on valuation of assets held at fair value through other comprehensive income	(14)		(14)
<b>Total comprehensive income for the period</b>	195	1	196
Attributable to non-controlling equity holders	2	1	3
Attributable to ordinary holders of the parent	193		193

		Unaudited	TCP Specific Issue of Shares for Cash	Pro forma Audited	% change
Headline earnings	<b>Rm</b>	210	1	211	0,5%
Headline earnings per share	<b>cents</b>	37,0	0	37,0	0,0%
Basic earnings per share	<b>cents</b>	37,0	0	37,0	0,0%
Diluted basic earnings per share	<b>cents</b>	36,6	0	36,6	0,0%

**Notes to the consolidated income statement**

1. The "Unaudited" column has been extracted, without adjustment, from Transaction Capital's interim results for the six months ended 31 March 2016.
2. The saving in interest expense has been calculated based on a R39 million cash amount received less transaction costs of R2.19 million (including VAT) applied to external debt at a pre-tax rate of 12.10% per annum.
3. Transaction costs of R2.19 million (including VAT) have been allocated to the stated capital in accordance with IAS 32 Financial Instruments: Presentation.
4. The transaction has been assumed to have taken place at the TCP Subscription Consideration. As a result, no discount or option expense has been recognised in terms of IFRS 2 Share-based Payment.
5. Tax is assumed at 28%.
6. Headline earnings is equal to the profit after tax for the period as there are no headline earnings adjustments required.
7. All adjustments, with the exception of transaction costs, are assumed to have a continuing effect.
8. There are no other events after the reporting date which requires inclusion in the *pro forma* financial effects presented.

**Pro forma consolidated statement of financial position at 31 March 2016**

	Unaudited <sup>1</sup> Rm	TCP Specific Issue of Shares for Cash Rm	Pro forma Audited Rm
<b>Assets</b>			
Cash and cash equivalents	965	37 <sup>2</sup>	1 002
Tax receivables	24		24
Trade and other receivable	546		546
Inventories	97		97
Loans and advances	6 601		6 601
Purchased book debts	571		571
Other loans receivable	40		40
Other investments	425		425
Intangible assets	43		43
Property and equipment	65		65
Goodwill	200		200
Deferred tax assets	249		249
<i>Total assets</i>	9 826	37	9 863
<b>Liabilities</b>			
Bank overdrafts	22		22
Tax payables	32		32
Trade and other payables	203		203
Provisions	12		12
Interest-bearing debt	6 691		6 691
Senior debt	5 523		5 523
Subordinated debt	1 168		1 168
Deferred tax liabilities	127		127
<i>Total liabilities</i>	7 087		7 087
<b>Equity</b>			
Ordinary share capital	460	37 <sup>2&amp;3</sup>	497
Reserves	113		113
Retained earnings	2 134		2 134
<i>Equity attributable to ordinary equity holders of the parent</i>	2 707	37	2 744
Non-controlling interests	32		32
<i>Total equity</i>	2 739	37	2 776
Total equity and liabilities	9 826	37	9 863



		TCP Specific Issue of Shares for			<i>Pro forma</i>	
		Unaudited	Cash	Audited	% change	
Number of shares	<b>m</b>	567,3	3,4	570,7	0,6%	
Weighted average number of shares in issue	<b>m</b>	567,9	0,0	567,9	0,0%	
Net asset value per share	<b>cents</b>	477,2	3,7	480,9	0,8%	
Tangible net asset value per share	<b>cents</b>	434,3	4,0	438,3	0,9%	

**Notes to the consolidated statement of financial position**

1. The "Unaudited" column has been extracted, without adjustment, from Transaction Capital's interim results for the six months ended 31 March 2016.
2. Cash received from the specific issue of R39 million less transaction costs of R2,19 million (including VAT) have been allocated in terms of which 3.4 million Transaction Capital shares are issued to JMRH at the TCP Subscription Consideration of R11.65 cents per share have been used for the calculations above.
3. Transaction costs of R2.19 million (including VAT) have been allocated to the stated capital in accordance with IAS 32 Financial Instruments: Presentation.
4. All adjustments, with the exception of transaction costs, are assumed to have a continuing effect.
5. There are no other events after the reporting date which requires inclusion in the *pro forma* financial effects presented.
6. Transaction costs are not tax deductible.

## TCP'S SHARE PRICE HISTORY

The share price history of the company's ordinary shares traded on the JSE up until the signature date of the TCP Subscription Agreement is given below:

	High (Cents)	Low (Cents)	Value (Rand)	Volume (Shares)
<i>Highest and lowest prices for each month and aggregated monthly values and volumes</i>				
<b>2015</b>				
August	1 050	880	66 258 490	7 028 366
September	1 010	890	33 273 113	3 506 470
October	1 114	935	132 102 359	12 739 154
November	1 165	970	87 221 837	8 248 983
December	1 253	1 070	535 465 749	50 387 409
<b>2016</b>				
January	1 250	1 055	79 127 804	6 832 645
February	1 145	1 000	124 094 051	11 578 152
March	1 185	1 005	110 926 051	10 124 321
April	1 199	1 111	44 367 803	3 812 245
May	1 179	1 050	38 891 717	3 458 545
June	1 257	1 001	105 182 255	9 143 855
July	1 150	1 013	144 962 693	13 230 000

*Highest and lowest daily prices and daily aggregated values and volumes*

<b>2016</b>				
29 July	1 100	1 071	3 998 813	369 208
1 August	1 100	1 080	1 122 091	103 624
2 August	1 125	1 080	5 159 069	475 247
4 August	1 110	1 090	560 447	50 889
5 August	1 124	1 090	1 773 182	162 677
8 August	1 120	1 091	107 231	9 657
10 August	1 125	1 099	2 404 602	218 162
11 August	1 114	1 091	8 105 908	736 913
12 August	1 113	1 099	14 036 123	1 275 560
15 August	1 110	1 091	5 268 926	476 811
16 August	1 165	1 105	11 794 292	1 060 533
17 August	1 150	1 121	3 331 772	295 565
18 August	1 150	1 121	922 434	81 905
19 August	1 130	1 115	938 758	83 610
22 August	1 150	1 118	2 136 077	189 817
23 August	1 170	1 130	1 666 022	146 483
24 August	1 170	1 101	400 140	35 267
25 August	1 160	1 121	6 748 840	597 133
26 August	1 130	1 106	287 098	25 752
29 August	1 125	1 109	645 461	57 806
30 August	1 125	1 110	901 672	80 834
31 August	1 124	1 101	627 829	56 718
1 September	1 115	1 070	65 526 427	5 885 860
2 September	1 100	1 076	1 250 322	114 924
5 September	1 115	1 070	2 305 100	209 078
7 September	1 115	1 098	2 138 754	194 369
8 September	1 114	1 070	2 981 467	271 251
9 September	1 135	1 115	2 698 813	241 344
12 September	1 145	1 090	953 892	84 770
13 September	1 144	1 090	49 989	4 416
14 September*	1 125	1 070	11 568 316	1 028 412

\* Last Practicable Date



# Transaction Capital

## Transaction Capital Limited

(Incorporated in the Republic of South Africa)

(Registration number 2002/031730/06)

Share code: TCP ISIN: ZAE000167391

("TCP" or the "Company")

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## NOTICE OF GENERAL MEETING

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All terms defined in the Circular to which this notice of General Meeting is attached shall bear the same meanings in this notice of General Meeting.

**Notice is hereby given that a meeting of TCP Shareholders will be held at 230 Jan Smuts Avenue (Corner Bompas Road), Dunkeld West, Johannesburg at 09:00 on Thursday, 20 October 2016 or any other adjourned or postponed date and time determined in accordance with the provisions of section 64(11) of the Companies Act, as read with the Listings Requirements, for Shareholders to consider and if deemed fit, to pass, with or without modification, the ordinary and special resolutions set out below.**

### **Special Resolution Number 1 – SPECIFIC AUTHORITY TO ISSUE SHARES FOR CASH**

**“Resolved that**, subject to the passing of Ordinary Resolutions 1 and 2 and Special Resolutions 2 and 3, the Company be and is hereby authorised to allot and issue 3 377 821 new ordinary no par value shares ranking *pari passu* with existing issued ordinary shares in the company, at an issue price of R11.65 per share for a total subscription consideration of R39 351 614.65, to JMR Holdings Proprietary Limited, as detailed in paragraph 4 of the Circular in accordance with the terms and subject to the conditions set out in the TCP Subscription Agreement, and that all of the ordinary shares referred to above be and are hereby placed under the control of the Directors for the allotment and issue as described above.”

The reason for Special Resolution 1 is to approve and authorise the TCP Specific Issue of Shares for Cash as a specific issue of shares for cash as required by the Listings Requirements.

In terms of paragraph 5.51(g) of the Listings Requirements, Special Resolution 1 will require the support of at least 75% of the total number of votes exercised by TCP Shareholders, present in person or by proxy and entitled to vote on such resolution at the General Meeting convened to approve such resolution, on which any parties and their Associates participating in the TCP Specific Issue for Cash have not voted or whose votes have not been counted, to be approved. The JMR Trusts and any of their Associates will not vote on Special Resolution 1.

### **Special Resolution Number 2 – AUTHORITY TO ISSUE SHARES IN TERMS OF SECTION 41(1) OF THE COMPANIES ACT**

**“Resolved that**, subject to the passing of Ordinary Resolutions 1 and 2, and Special Resolutions 1 and 3, in accordance with section 41(1) of the Companies Act (Act 71 of 2008), as amended (“the Companies Act”), the Company be and is hereby authorised to issue 3 377 821 new ordinary no par value shares to an Entity (being JMR Holdings Proprietary Limited) related to Jonathan Jawno, Michael Mendelowitz (being executive Directors) and Roberto Rossi (being a non-executive Director), in terms of the TCP Specific Issue of Shares for Cash as detailed in paragraph 4 of the Circular.”

Special Resolution 2 is required to be approved in terms of section 41(1) of the Companies Act as TCP will, in terms of the TCP Specific Issue of Shares for Cash be issuing Shares to an Entity related to Directors.

The resolution requires more than 75% of all voting rights exercised by TCP Shareholders present at or represented by proxy and entitled to vote at the General Meeting to be cast in favour of this resolution. As Special Resolution 2 is a suspensive condition to the Specific Issue of Shares for Cash, the JMR Trusts and any of their Associates will not vote on Special Resolution 2.

### **Special Resolution Number 3 – AUTHORITY FOR FINANCIAL ASSISTANCE FOR THE PURPOSE OF, OR IN CONNECTION WITH, THE PURCHASE AND SUBSCRIPTION OF TCP SHARES IN TERMS OF THE TRANSACTION**

**“Resolved that** in terms of section 44(3) of the Companies Act (Act 71 of 2008), as amended (“the Companies Act”), the TCP Shareholders hereby authorise the Company to provide financial assistance, by way of the payment of legal and other transaction costs in respect of the Transaction, for the purpose of, or in connection with, the purchase and subscription of TCP Shares in terms of the Transaction as detailed in paragraph 15 of the Circular, provided that the Board may not authorise the Company to provide any financial assistance pursuant to this special resolution unless the Board meets all those requirements of section 44 of the Companies Act which it is required to meet in order to authorise the Company to provide such financial assistance.”

The reason for Special Resolution 3 is to grant the Board the authority to authorise the Company to provide financial assistance, by way of the payment of legal and other transaction costs in respect of the Transaction to those persons identified in paragraph 15 of the Circular, for the purpose of, or in connection with, the purchase and subscription of TCP Shares in terms of the Transaction as further detailed in paragraph 15 of the Circular.

The resolution requires more than 75% of all voting rights exercised by TCP Shareholders present at or represented by proxy and entitled to vote at the General Meeting to be cast in favour of this resolution. As Special Resolution 3 is a suspensive condition to the Specific Issue of Shares for Cash, the JMR Trusts and any of their respective Associates will not vote on Special Resolution 3.

### **Special Resolution Number 4 – ADOPTION OF THE TCP CONDITIONAL SHARE PLAN**

**“Resolved that**, subject to the passing of Ordinary Resolution 3, the Transaction Capital Conditional Share Plan be and is hereby approved, in the form tabled at the General Meeting and initialled by the chairperson of the meeting for purpose of identification.”

Although the principal terms of the TCP Conditional Share Plan, summarised in paragraph 7 of the Circular contain what the Board believes to be a summary of the most material terms of the TCP Conditional Share Plan, it does not summarise every proposed term of the TCP Conditional Share Plan in detail. TCP Shareholders are hereby referred to the Rules containing all of the terms applicable to the proposed TCP Conditional Share Plan, which will be available for inspection by TCP Shareholders at the Company’s registered address during normal business hours from the date of notice of General Meeting until the date of the General Meeting.

In terms of paragraph 14.1 of the Listings Requirements, the approval of more than 75% of the votes cast in favour of this resolution by all equity securities holders present or represented by proxy at the General Meeting is required to approve this resolution.

### **Ordinary Resolution Number 1 – WAIVER OF MANDATORY OFFER**

**“Resolved that**, subject to the passing of Ordinary Resolution 2 and Special Resolutions 1, 2 and 3, TCP shareholders waive their right to require JMR Holdings Proprietary Limited (“JMRH”) and, if applicable, any other party Acting in Concert with it to make an offer for such shareholders’ TCP shares as required by the Takeover Regulation Panel, as a result of the acquisition of 250 000 000 TCP shares by JMRH (as further detailed in the Circular).”

The reason for Ordinary Resolution 1 is to exempt JMRH (or, if applicable, any person Acting in Concert with it) from the obligation to make a Mandatory Offer. The JMR Trusts each own 82 207 393 TCP Shares, which equates to approximately 14.38% of the issued share capital of TCP before the implementation of the Transaction. The implementation of the Transaction will result in JMRH holding approximately 43.48% of the issued share capital of TCP immediately after the implementation of the Transaction. In the circumstances, the Transaction would ordinarily require a Mandatory Offer by JMRH and, if applicable, any other party Acting in Concert with it to acquire the remaining TCP Shares not acquired by JMRH following the implementation of the Transaction. However, Regulation 86(4) of the Regulations, permits a waiver to be given to an offeror (or, if applicable, any person Acting in Concert with it) from the obligation to make a Mandatory Offer if such waiver is approved by Independent Shareholders, in person or by proxy, holding more than 50% of the general voting rights of all the issued shares of the Company in a general meeting. If the suspensive conditions envisaged in the TCP Subscription Agreement and the Exchange Agreement are fulfilled then there will be no requirement for JMRH and, if applicable, any other party Acting in Concert with it to make a Mandatory Offer to the holders of the remaining securities of TCP. Conversely, if any of the suspensive conditions envisaged in the TCP Subscription Agreement and the Exchange Agreement are not fulfilled then the Transaction will fail in its entirety and there will be no requirement for JMRH and, if applicable, any other party Acting in Concert with it to make a Mandatory Offer to the holders of the remaining securities of TCP.

The minimum percentage of voting rights that is required for the adoption of Ordinary Resolution 1 is more than 50% of all voting rights exercised by Independent Shareholders present at or represented by proxy at the General Meeting. The JMR Trusts and any of their Associates are not Independent Shareholders and will not vote on Ordinary Resolution 1.

### **Ordinary Resolution Number 2 – AUTHORITY TO EXECUTE REQUISITE DOCUMENTS REQUIRED TO IMPLEMENT THE TRANSACTION**

“**Resolved that**, subject to the passing of Ordinary Resolution 1 and Special Resolutions 1, 2 and 3, any Director be and is hereby authorised, instructed and empowered to do all such things, sign all such documents and procure the doing of all such things and the signing of all such documents as may be necessary to give effect to Ordinary Resolution 1 and Special Resolutions 1, 2 and 3.”

This resolution is necessary to give effect to any of the above resolutions which may be passed by Shareholders.

The minimum percentage of voting rights that is required for the adoption of Ordinary Resolution 2 is more than 50% of all voting rights exercised by TCP Shareholders present at or represented by proxy and entitled to vote at the General Meeting to be cast in favour of this resolution. As Ordinary Resolution 2 is a suspensive condition to the Specific Issue of Shares for Cash, the JMR Trusts and any of their Associates will not vote on Ordinary Resolution 2.

### **Ordinary Resolution Number 3 – AUTHORITY TO EXECUTE REQUISITE DOCUMENTS REQUIRED TO IMPLEMENT THE TCP CONDITIONAL SHARE PLAN**

“**Resolved that**, subject to the passing of Special Resolution 4, any Director be and is hereby authorised, instructed and empowered to do all such things, sign all such documents and procure the doing of all such things and the signing of all such documents as may be necessary to give effect to Special Resolution 4.”

This resolution is necessary to give effect to any of the above resolutions which may be passed by Shareholders.

The minimum percentage of voting rights that is required for the adoption of Ordinary Resolution 3 is more than 50% of all voting rights exercised by TCP Shareholders present at or represented by proxy and entitled to vote at the General Meeting to be cast in favour of this resolution.

### **Voting**

On a show of hands, every TCP Shareholder who is present in person, by proxy or represented at the shareholders' meeting shall have one vote (irrespective of the number of Shares held), and on a poll, every TCP Shareholder shall have one vote for each Share held by him.

The JMR Trusts and any of the Associates will not vote on Ordinary Resolutions 1, and 2 as well as Special Resolutions 1, 2 and 3 due to their participation in the Transaction. The JMR Trusts and any of their Associates will, however, be permitted to vote on Ordinary Resolution 3 and Special Resolution 4 required to approve the TCP Conditional Share Plan.

### **Record date**

The record date in terms of section 59 of the Companies Act for Shareholders to be recorded in the Register in order to be able to attend, participate and vote at the General Meeting is Friday, 14 October 2016.

The record date in terms of the Regulations, for Shareholders to be recorded in the Register to be able to receive the Circular is Friday, 16 September 2016.

### **Identification**

Section 63(1) of the Companies Act requires meeting participants to provide the person presiding the meeting with satisfactory identification. The Company will regard the presentation of participants' original driver's licences, identity documents or passports to be satisfactory “documentation”.

### **Electronic participation by Shareholders**

Should any Shareholder (or any proxy for a Shareholder) wish to participate in the General Meeting by way of electronic participation, that Shareholder should make application in writing (including details as to how the Shareholder or its representative (including its proxy) can be contacted) to so participate to the Transfer Secretaries, at their address below, to be received by the Transfer Secretaries at least five Business Days prior to the General Meeting in order for the Transfer Secretaries to arrange for the Shareholder (or its representative or proxy) to provide reasonably satisfactory identification to the Transfer Secretaries for the purposes of section 63(1) of the Companies Act and for the Transfer Secretaries to provide the Shareholder (or its representative)

with details as to how to access any electronic participation to be provided. The costs of accessing any means of electronic participation provided by the Company will be borne by the Shareholder so accessing the electronic participation.

## **Proxies**

A TCP Shareholder entitled to attend, speak and vote at the General Meeting may appoint one or more persons as its proxy to attend, speak and vote in its stead. A proxy need not be a Shareholder. A proxy may NOT delegate the authority granted to the proxy to act on behalf of the Shareholder to another person.

A Form of Proxy is attached for the convenience of Certificated Shareholders and own-name Dematerialised Shareholders who are unable to attend the General Meeting, but who wish to be represented thereat. In order to be valid, duly completed Forms of Proxy are requested to be received by TCP's Transfer Secretaries, Computershare, Ground Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107), by no later than 09:00 on Wednesday, 19 October 2016. Proxy Forms not lodged with the Transfer Secretaries may be handed to the chairperson of the General Meeting before the proxy exercises the voting rights of the Shareholder at the General Meeting.

Shareholders' rights regarding proxies in terms of section 58 of the Companies Act are as follows:

- (1) At any time, a Shareholder may appoint any individual, including an individual who is not a Shareholder, as a proxy to:
  - (a) participate in, and speak and vote at, a shareholders' meeting on behalf of the Shareholder; or
  - (b) give or withhold written consent on behalf of the Shareholder to a decision contemplated in section 60 of the Act.
- (2) A proxy appointment:
  - (a) must be in writing, dated and signed by the Shareholder; and
  - (b) remains valid for:
    - (i) one year after the date on which it was signed; or
    - (i) any longer or shorter period expressly set out in the appointment, unless it is revoked in a manner contemplated in subsection (4)(c) below, or expires earlier as contemplated in section 58(8)(d) of the Companies Act.
- (3) Except to the extent that the Memorandum of Incorporation of a Company provides otherwise:
  - (a) a Shareholder may appoint two or more persons concurrently as proxies, and may appoint more than one proxy to exercise voting rights attached to different securities held by the Shareholder; and
  - (b) a copy of the instrument appointing a proxy must be delivered to the Company, or to any other person on behalf of the Company, before the proxy exercises any rights of the Shareholder at a shareholders meeting.
- (4) Irrespective of the form of instrument used to appoint a proxy:
  - (a) the appointment is suspended at any time and to the extent that the Shareholder chooses to act directly and in person in the exercise of any rights as a Shareholder;
  - (b) the appointment is revocable unless the proxy appointment expressly states otherwise; and
  - (c) if the appointment is revocable, a Shareholder may revoke the proxy appointment by:
    - (i) cancelling it in writing, or making a later inconsistent appointment of a proxy; and
    - (i) delivering a copy of the revocation instrument to the proxy, and to the Company.
- (5) The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the Shareholder as of the later of:
  - (a) the date stated in the revocation instrument, if any; or
  - (b) the date on which the revocation instrument was delivered as required in subsection (4)(c)(ii) above.

(6) A proxy is entitled to exercise, or abstain from exercising, any voting right of the Shareholder without direction, except to the extent that the instrument appointing the proxy otherwise provides.

Dematerialised Shareholders other than with own-name registration who have not been contacted by their CSDP or Broker with regard to how they wish to cast their votes, should contact their CSDP or Broker and instruct their CSDP or Broker as to how they wish to cast their votes at the General Meeting in order for their CSDP or Broker to vote in accordance with such instructions. If such Dematerialised Shareholders wish to attend the General Meeting in person, they must request their CSDP or Broker to issue the necessary letter of representation to them. This must be done in terms of the custody agreement entered into between such Dematerialised Shareholders and the CSDP or Broker.

By order of the Board

**Transaction Capital Limited**

**R Goldstein**

*Financial Director*

21 September 2016

**Registered office**

230 Jan Smuts Avenue (Corner Bompas Road)

Dunkeld West

Johannesburg

(PO Box 41888, Craighall, 2024)







# Transaction Capital

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

## FORM OF PROXY – GENERAL MEETING (BLUE)

All terms defined in the Circular to which this Form of Proxy is attached shall bear the same meanings in this Form of Proxy.

For use ONLY by Certificated Shareholders or own-name Dematerialised Shareholders at the General Meeting to be held at 230 Jan Smuts Avenue (Corner Bompas Road), Dunkeld West, Johannesburg, at 09:00 on Thursday, 20 October 2016, or any other adjourned or postponed date and time determined in accordance with The Provisions of section 64(11) of the Companies Act, as read with the Listings Requirements.

Proxy Forms not lodged with the Transfer Secretaries may be handed to the chairperson of the General Meeting before the proxy exercises the voting rights of the Shareholder at the General Meeting.

If the General Meeting is adjourned or postponed, Forms of Proxy submitted for the initial General Meeting will remain valid in respect of any adjournment or postponement of the General Meeting, unless withdrawn by the Shareholder. If the General Meeting is adjourned or postponed then Proxy Forms that have not yet been submitted should be lodged with the Transfer Secretaries by no later than 24 hours before the adjourned or postponed General Meeting but may nonetheless be handed to the chairperson of the adjourned or postponed General Meeting before the proxy exercises the voting rights of the Shareholder at the adjourned or postponed General Meeting.

If Dematerialised Shareholders, other than own-name Dematerialised Shareholders, have not been contacted by their CSDP or Broker with regard to how they wish to cast their votes, they should contact their CSDP or Broker and instruct their CSDP or Broker as to how they wish to cast their votes at the General Meeting in order for their CSDP or Broker to vote in accordance with such instructions. Dematerialised Shareholders who are not own-name Dematerialised Shareholders and who wish to attend the General Meeting are requested to obtain their necessary letter of representation from their CSDP or Broker, as the case may be and submit same to the Transfer Secretaries to be received by no later than 09:00, on Wednesday, 19 October 2016. This must be done in terms of the custody agreement entered into between the Dematerialised Shareholder and their CSDP or Broker. If the CSDP or Broker, as the case may be, does not obtain instructions from such Dematerialised Shareholders, it will be obliged to act in terms of the mandate furnished to it, or if the mandate is silent in this regard, to abstain from voting.

**Such Dematerialised Shareholders, other than Own-Name Dematerialised Shareholders, must not complete this Form of Proxy and should read note 12 of the overleaf.**

I/We (FULL NAMES IN BLOCK LETTERS PLEASE)

of (address) (BLOCK LETTERS PLEASE)

Telephone: (WORK)( )

Telephone: (HOME)( )

Email address:

Identity number

being the holder of  Certificated/Own-Name Dematerialised Shares

(delete whichever is not applicable) hereby appoint

1. \_\_\_\_\_ or \_\_\_\_\_ failing him/her

2. \_\_\_\_\_ or \_\_\_\_\_ failing him/her

3. the chairperson of the General Meeting

as my/our proxy to vote for me/us on my/our behalf at the General Meeting to be held at 09:00 on Thursday, 20 October 2016 or any adjournment or postponement thereof as follows:

Resolution	For	Against	Abstain
<b>Special Resolution Number 1</b> – Specific authority to issue shares for cash			
<b>Special Resolution Number 2</b> – Authority to issue shares in terms of section 41(1) of the Companies Act			
<b>Special Resolution Number 3</b> – Authority for Financial Assistance for the purpose of, or in connection with, the purchase and subscription of TCP Shares in terms of the Transaction			
<b>Special Resolution Number 4</b> – Adoption of the TCP Conditional Share Plan			
<b>Ordinary Resolution Number 1</b> – Waiver of Mandatory Offer			
<b>Ordinary Resolution Number 2</b> – Authority to execute requisite documents required to implement the Transaction			
<b>Ordinary Resolution Number 3</b> – Authority to execute requisite documents required to implement the TCP Conditional Share Plan			

Insert an "X" in the relevant spaces above according to how you wish your votes to be cast. However, if you wish to cast your votes in respect of a lesser number of shares than you own in the company, insert the number of ordinary shares held in respect of which you desire to vote (see note 2).

Signed at \_\_\_\_\_ on this \_\_\_\_\_ day of \_\_\_\_\_ 2016

Full name \_\_\_\_\_ Capacity \_\_\_\_\_

Signature(s) \_\_\_\_\_

Assisted by (where applicable) \_\_\_\_\_

Please see the notes on the reverse side hereof.

**A Shareholder entitled to attend and vote at the General Meeting may appoint one or more persons as his/her proxy to attend, speak or vote in his/her stead at the General Meeting. A proxy need not be a Shareholder.**

**Notes:**

1. A TCP Shareholder may insert the name of a proxy or the names of two alternative proxies of his/her choice in the spaces provided with or without deleting "the chairperson of the General Meeting", but any such deletion must be initialled by the TCP Shareholder. The person whose name appears first on the Form of Proxy and who is present at the General Meeting will be entitled to act as proxy to the exclusion of those whose names follow.
2. Please insert the number of Shares in the relevant spaces according to how you wish your votes to be cast. If you wish to cast your votes in respect of a lesser number of TCP Shares exercisable by you, insert the number of TCP Shares held in respect of which you wish to vote. Failure to comply with the above will be deemed to authorise and compel the chairperson, if the chairperson is an authorised proxy, to vote in favour of the resolutions, or to authorise any other proxy to vote for or against the resolutions or abstain from voting as he/she deems fit, in respect of all the TCP Shareholder's votes exercisable thereat. A TCP Shareholder or its/his/ her proxy is not obliged to use all the votes exercisable by the TCP Shareholder or its/his/her proxy, but the total of the votes cast and in respect whereof abstention is recorded may not exceed the total of the votes exercisable by the TCP Shareholder or its/his/her proxy.
3. Forms of Proxy are requested to be lodged with the Transfer Secretaries, Computershare, Ground Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107), to be received by no later than 09:00 on Wednesday, 19 October 2016.
4. Proxy Forms not lodged with the Transfer Secretaries may be handed to the chairperson of the General Meeting before the proxy exercises the voting rights of the Shareholder at the General Meeting.
5. Any alteration or correction made to this Form of Proxy must be initialled by the signatory(ies).
6. Documentary evidence establishing the authority of a person signing this Form of Proxy in a representative capacity must be attached to this Form of Proxy unless previously recorded by TCP's Transfer Secretaries or waived by the chairperson of the General Meeting.
7. The completion and lodging of this Form of Proxy will not preclude the relevant TCP Shareholder from attending the General Meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such TCP Shareholder wish to do so.
8. The chairperson of the General Meeting may accept or reject any Form of Proxy which is completed and/or received other than in accordance with these notes and instructions, provided that the chairperson is satisfied as to the manner in which the TCP Shareholder wishes to vote.
9. This Form of Proxy shall not be valid after the expiration of six months from the date when it was signed.
10. Joint holders – any such persons may vote at the General Meeting in respect of such joint Shares as if he/she were solely entitled thereto; but if more than one of such joint holders are present or represented at the General Meeting, that one of the said persons whose name stands first in the Register in respect of such Shares or his/her proxy, as the case may be, is alone entitled to vote in respect thereof.
11. Own-name Dematerialised Shareholders will be entitled to attend the General Meeting in person or, if they are unable to attend and wish to be represented thereat, they are requested to complete and return the attached Form of Proxy to the Transfer Secretaries by the time specified on the Form of Proxy.
12. TCP Shareholders who hold Shares in TCP through a nominee should advise their nominee or, if applicable, their CSDP or Broker timeously of their intention to attend and vote at the General Meeting or to be represented by proxy thereat in order for their nominee or, if applicable, their CSDP or Broker to provide them with the necessary letter of representation to do so or should provide their nominee or, if applicable, their CSDP or Broker timeously with their voting instruction should they not wish to attend the General Meeting in person, in order for their nominee to vote in accordance with their instruction at the General Meeting.
13. If the General Meeting is adjourned or postponed, Forms of Proxy submitted for the initial General Meeting will remain valid in respect of any adjournment or postponement of the General Meeting, unless withdrawn by the Shareholder. If the General Meeting is adjourned or postponed then Proxy Forms that have not yet been submitted should be lodged with the Transfer Secretaries by no later than 24 hours before the adjourned or postponed General Meeting, but may nonetheless be handed to the chairperson of the adjourned or postponed General Meeting before the proxy exercises the voting rights of the Shareholder at the adjourned or postponed General Meeting.