



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

ACCELERATED BOOKBUILD

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES, CANADA, JAPAN OR ANY JURISDICTION IN WHICH IT WOULD BE UNLAWFUL TO DO SO

1. INTRODUCTION

Transaction Capital announces an equity raise of up to 28 400 000 shares through the issue of new ordinary shares (the "equity raise"). The equity raise is subject to pricing acceptable to Transaction Capital and will be completed under the Company's existing general authority to issue shares for cash approved by Transaction Capital shareholders at the annual general meeting of the Company held on Thursday, 3 March 2016.

2. RATIONALE AND USE OF PROCEEDS

Shareholders are referred to the announcements released on the Stock Exchange News Service of the JSE Limited ("JSE") on 14 November 2016 and 22 November 2016 respectively, whereby Transaction Capital announced the acquisition of 100% of Recoveries Corporation Group Limited in Australia, and a majority stake in both RC Value Added Services (Pty) Ltd and The Beancounter Financial Services (Pty) Ltd. These acquisitions have resulted in excess of R500 million of capital being deployed in December 2016, all of which has been funded out of existing cash balances. The acquisitions are consistent with the Company's strategy, and its aim of creating value by identifying, pricing, acquiring and integrating new businesses, whose competitiveness and value can be enhanced by Transaction Capital.

Transaction Capital continues to scan the environment for opportunities to make further acquisitions and to deploy capital, favouring a conservative approach with a narrow focus on assets operating within existing or adjacent market segments. In light of the above, the board of directors of Transaction Capital believes it is prudent to raise additional equity capital at this time, in order to create capacity for the Company to continue to pursue opportunities that meet its stringent criteria as they arise, while allowing for the flexibility of immediate cash settlement.

In addition, the equity raise is also expected to help continue to build trading liquidity in Transaction Capital shares.

3. THE BOOKBUILD

The equity raise will be offered to qualifying investors through an accelerated bookbuild process ("the bookbuild") conducted on the JSE. Only public investors (as defined under paragraphs 4.25 – 4.26 of the JSE Listings Requirements) may participate in the equity raise under the Company's general authority. The equity raise is not an offer to the public as contemplated under the South African Companies Act, No.71 of 2008, as amended ("the Companies Act").

The bookbuild opens at 10h00 (South African time) on Thursday, 2 February 2017, and the Company reserves the right to close it at any time thereafter. Pricing and allocations will be announced as soon as practical following the closing of the bookbuild.

Macquarie Capital South Africa is acting as the bookrunner for the equity raise.

Dunkeld West
2 February 2017

Bookrunner
Macquarie Capital South Africa Proprietary Limited
Tel: +27 11 583 2000
E-mail: maccapadvectmjoburg@macquarie.com

South African Legal Counsel to the Company and the Bookrunner
Edward Nathan Sonnenbergs Inc.
+27 11 269 7600

Transaction Capital Limited
Phillipe Welthagen – Investor Relations
+27 11 049 6729

Sponsor
Deutsche Securities (SA) Proprietary Limited

The equity raising is not an offer to the public as contemplated under the Companies Act, nor an offer of securities in any other jurisdiction. Potential investors are only permitted to apply for shares with a minimum total acquisition cost, per single addressee acting as principal, of greater than or equal to ZAR1 000 000, unless the potential investor is a person, acting as principal, whose ordinary business, or part of whose ordinary business, is to deal in securities, whether as principal or agent (in reliance on Section 96(1)(a)(i) and 96(1)(b) of the Companies Act) or such applicant falls within one of the other specified categories of persons listed in section 96(1) of the Companies Act.

This announcement is not for publication or distribution or release, directly or indirectly, in the United States of America (including its territories and possessions, any state of the United States and the District of Columbia).

This announcement does not constitute or form part of an offer or solicitation of an offer to purchase or subscribe for securities in the United States or any other jurisdiction. The securities referred to herein have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act"), and may not be offered or sold, directly or indirectly, in the United States, absent registration or an exemption from, or transaction not subject to, the registration requirements of the Securities Act. No public offering of securities is being made in the United States. This announcement does not and is not intended to constitute an offer to the public in South Africa in terms of the Companies Act. Neither this announcement nor any copy of it may be taken, transmitted or distributed, directly or indirectly in or into the United States, Canada, Australia or Japan.

This announcement is for information purposes only and in member states of the European Economic Area (other than the United Kingdom) is directed only at persons who are qualified investors (as defined in article 2(1)(e) of EU directive 2003/71/EC (the "Prospectus Directive") and the relevant implementing rules and regulations adopted by each Member State). In the United Kingdom, this announcement is directed only at the following persons: investment professionals falling within article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order"); and high net worth entities, and other person to whom it may lawfully be communicated, falling within article 49(2)(a) to (d) of the Order.

This announcement has been issued by and is the sole responsibility of Transaction Capital. No representation or warranty express or implied, is or will be made as to, or in relation to, and no responsibility or liability is or will be accepted by Macquarie Capital South Africa Proprietary Limited (Bookrunner) or by any of its respective affiliates or agents as to, or in relation to, the accuracy or completeness of this announcement or any other written or oral information made available to or publicly available to any interested party or its advisers, and any liability therefore is expressly disclaimed.

FORWARD LOOKING INFORMATION

This announcement contains (or may contain) certain forward-looking statements with respect to certain of Transaction Capital's plans and its current goals and expectations relating to its future financial condition and performance and which involve a number of risks and uncertainties. Transaction Capital cautions readers that no forward-looking statement is a guarantee of future performance and that actual results could differ materially from those contained in the forward-looking statements. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances a number of which are beyond Transaction Capital's control. These forward-looking statements reflect Transaction Capital's judgement at the date of this announcement and are not intended to give any assurance as to future results. Except as required by the JSE, or applicable law, Transaction Capital expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward looking statements contained in this announcement to reflect any changes in the Company's expectations with regard thereto or any changes in events, conditions or circumstances on which any such statement is based. For further information on Transaction Capital, investors should review the Company's Annual Report hosted at www.transactioncapital.co.za