



Transaction Capital Limited
(Incorporated in the Republic of South Africa)
Registration No: 2002/031730/06
JSE share code: TCP
ISIN: ZAE000167391
("Transaction Capital" or "the Company")



TransCapital Investments Limited
(Incorporated in the Republic of South Africa)
(Registration No. 2016/130129/06)
JSE debt code: TCII

RESULTS OF ACCELERATED BOOKBUILD

THIS ANNOUNCEMENT AND THE INFORMATION CONTAINED HEREIN IS RESTRICTED AND IS NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN WHOLE OR IN PART, IN, INTO OR FROM THE UNITED STATES, AUSTRALIA, CANADA, JAPAN OR ANY OTHER STATE OR JURISDICTION IN WHICH SUCH RELEASE, PUBLICATION OR DISTRIBUTION WOULD BE UNLAWFUL.

Shareholders are referred to the announcement released on the Stock Exchange News Service of the JSE Limited ("JSE") on 17 June 2020 relating to the issue of 30 754 064 new ordinary no par value shares in the authorised but unissued stated capital of the Company (the "Placing Shares") through an accelerated bookbuild (the "Bookbuild") under and in accordance with the Company's existing general authority to issue shares for cash, granted by shareholders at the annual general meeting held on 11 March 2020 ("Placing").

Transaction Capital is pleased to announce the successful completion of the Bookbuild. The Placing Shares were issued at a price of R18.20 per share, a 2.2% premium to the pre-launch 30 business day volume weighted average price of R17.80 as at market close on 17 June 2020, which is in compliance with section 5.52(d) of the Listings Requirements of the JSE. The Placing raised gross proceeds of R559.7 million for the Company. Proceeds of the Placing will support the accelerated acquisition of non-performing consumer loan portfolios to be collected as principal in South Africa and Europe in the near term as outlined in the Company's announcement released on the JSE on 17 June 2020 and also detailed on the Company's results announcement for the half-year ended 31 March 2020.

Both new and existing institutional investors participated in the Bookbuild, further diversifying the Company's investor base.

Goldman Sachs International and The Standard Bank of South Africa Limited (collectively the "Managers") acted as joint bookrunners in respect of the Placing.

The Placing Shares being issued represent in aggregate 5% of the Company's issued ordinary share capital prior to the Placing. The Placing Shares when issued will be fully paid and will rank *pari passu* in all respects with the Company's existing ordinary shares in issue, including the right to receive all dividends and other distributions declared, made or paid after the date of issue of the Placing Shares

An application will be made to the JSE for the listing of the Placing Shares. Subject to approval by the JSE, listing and trading ("Admission") of the Placing Shares are expected to occur on the JSE on or about Tuesday 23 June 2020 and dealings in the Placing Shares are expected to commence at the same time. The Placing is conditional upon, amongst other things, Admission of the Placing Shares on the JSE becoming effective and the placing agreement between the Company and the Managers ("Placing Agreement") becoming unconditional and not being terminated in accordance with its terms prior to Admission.

Following Admission, the Company's issued share capital will comprise 644 344 130 ordinary no par value shares. This figure may be used by shareholders in the Company as the denominator for the calculations by

which they will determine if they are required to notify their beneficial interest in, or a change to their beneficial interest in, the Company's ordinary shares under section 122 of the South African Companies Act of 2008.

Dunkeld West
18 June 2020

Joint Bookrunners
Goldman Sachs International
The Standard Bank of South Africa Limited

South African Legal Counsel to the Company
ENSAfrica

Foreign Legal Counsel to the Company
Bryan Cave Leighton Paisner LLP

Transaction Capital Limited
Investor Relations – Phillipe Welthagen +27 (0) 84 512 5393

Transaction Sponsor
The Standard Bank of South Africa Limited

Company Sponsor
Rand Merchant Bank (A division of FirstRand Bank Limited)

IMPORTANT NOTES

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, Japan or any jurisdiction in which it would be unlawful to do so. The distribution of this announcement may be subject to specific legal or regulatory restrictions in certain jurisdictions and persons into whose possession any document or other information referred to herein comes should inform themselves about and observe any such restriction. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. The Company assumes no responsibility in the event there is a violation by any person of such restrictions.

In South Africa, the Placing will only be made by way of separate private placements to: (i) selected persons falling within one of the specified categories listed in section 96(1)(a) of the South African Companies Act; and (ii) selected persons, acting as principal, acquiring Placing Shares for a total acquisition cost of ZAR1,000,000 or more, as contemplated in section 96(1)(b) of the South African Companies Act ("South African Qualifying Investors").

This Announcement is only being made available to such South African Qualifying Investors. Accordingly: (i) the Placing is not an "offer to the public" as contemplated in the South African Companies Act; (ii) this Announcement does not, nor does it intend to, constitute a "registered prospectus" or an "advertisement", as contemplated by the South African Companies Act; and (iii) no prospectus has been filed with the South African Companies and Intellectual Property Commission ("CIPC") in respect of the Placing. As a result, this Announcement does not comply with the substance and form requirements for a prospectus set out in the South African Companies Act and the South

African Companies Regulations of 2011, and has not been approved by, and/or registered with, the CIPC, or any other South African authority.

Any forwarding, distribution, reproduction, or disclosure of any information contained in this announcement in whole or in part is unauthorised. Failure to comply with these restrictions may constitute a violation of the United States Securities Act of 1933, as amended (the "Securities Act"), or the applicable laws of other jurisdictions. Subject to certain exceptions, the securities referred to in this announcement may not be offered or sold in the United States, Australia, Canada, Japan or certain other jurisdictions or for the account or benefit of any national resident or citizen of certain jurisdictions.

The information contained in this Announcement constitutes factual information as contemplated in section 1(3)(a) of the South African Financial Advisory and Intermediary Services Act, 2002 (the "FAIS Act") and should not be construed as an express or implied recommendation, guide or proposal that any particular transaction in respect of the Placing Shares or in relation to the business or future investments of the Company, is appropriate to the particular investment objectives, financial situations or needs of a prospective investor, and nothing in this Announcement should be construed as constituting the canvassing for, or marketing or advertising of, financial services in South Africa. The Company is not a financial services provider licensed as such under the FAIS Act.

In terms of the Exchange Control Regulations of South Africa, any share certificates that might be issued to non-resident shareholders will be endorsed "Non-Resident". Any new share certificates, dividend and residual cash payments based on emigrants' shares controlled in terms of the Exchange Control Regulations, will be forwarded to the Authorised Dealer controlling their remaining assets. The election by emigrants for the above purpose must be made through the Authorised Dealer controlling their remaining assets. Such share certificates will be endorsed 'Non-Resident'. Dividend and residual cash payments due to non-residents are freely transferable from South Africa. Nothing in this Announcement should be viewed, or construed, as "advice", as that term is used in the South African Financial Markets Act, 2012, and/or FAIS Act by any of the Managers.

This announcement does not constitute or form part of any offer or solicitation to purchase or subscribe for securities in the United States, Canada, Japan or Australia, or any jurisdiction in which such offer, solicitation or sale would be unlawful. The ordinary shares may not be offered or sold in the United States unless registered under the Securities Act or offered pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The ordinary shares have not been, and will not be, registered under the Securities Act or under the applicable securities laws of Canada, Japan or Australia. Subject to certain exceptions, the ordinary shares referred to herein may not be offered or sold in Canada, Japan or Australia or to, or for the account or benefit of, any national, resident or citizen of Canada, Japan or Australia. There will be no public offer of securities in the United States, Canada, Japan and Australia.

Any offering of the Placing Shares to be made (i) in the United States will be made only to a limited number of "qualified institutional buyers" ("QIBs") within the meaning of Rule 144A under the Securities Act ("Rule 144A") and, (ii) outside the United States in offshore transactions within the meaning of, and in reliance on, Regulation S under the Securities Act ("Regulation S"). QIBs purchasing shares will be required to execute an investor letter in a form provided to it and deliver the same to a Manager or one of its affiliates and to the Company in connection with its investment.

This announcement is for information purposes only and in Member States of the European Economic Area is directed only at persons who are qualified investors (as defined in Regulation (EU) 2017/1129 (the "Prospectus Regulation"). In the United Kingdom, this announcement is directed only at qualified

investors (as defined above) who are also either: investment professionals falling within article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order"); or high net worth entities, falling within article 49(2)(a) to (d) of the Order, or are otherwise persons to whom it may lawfully be communicated.

Each Manager and its respective affiliates are acting solely for the Company and no one else in connection with the Placing and will not be responsible to anyone other than the Company for providing the protections afforded to its clients nor for providing advice in relation to the Placing and/or any other matter referred to in this Announcement. Apart from the responsibilities and liabilities, if any, which may be imposed on the Managers or their affiliates by their respective regulatory regimes, neither of the Managers nor any of their respective affiliates accepts any responsibility whatsoever for the contents of the information contained in this Announcement or for any other statement made or purported to be made by or on behalf of such Manager or any of its respective affiliates in connection with the Company, the Placing Shares or the Placing. The Managers and each of their respective affiliates accordingly disclaim all and any responsibility and liability whatsoever, whether arising in tort, contract or otherwise (save as referred to above) in respect of any statements or other information contained in this Announcement and no representation or warranty, express or implied, is made by the Managers or any of their respective affiliates as to the accuracy, completeness or sufficiency of the information contained in this Announcement.

The distribution of this Announcement and the offering of the Placing Shares in certain jurisdictions may be restricted by law. No action has been taken by the Company or the Managers that would permit an offering of such shares or possession or distribution of this Announcement or any other offering or publicity material relating to such shares in any jurisdiction where action for that purpose is required. Persons into whose possession this Announcement comes are required by the Company and the Managers to inform themselves about, and to observe, such restrictions.

The Placing Shares to be issued pursuant to the Placing will not be admitted to trading on any stock exchange other than the JSE.

Persons who are invited to and who choose to participate in the Placing by making an offer to take up Placing Shares, will be deemed to have read and understood this Announcement in its entirety and to be making such offer on the terms and conditions, and to be providing the representations, warranties, acknowledgements and undertakings, contained herein. Each such placee represents, warrants and acknowledges that it is a person eligible to subscribe for the Placing Shares in compliance with the restrictions set forth herein and applicable laws and regulations in its home jurisdiction and in the jurisdiction (if different) in which it is physically resident.

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 the Managers or by any of their respective affiliates or their respective partners, directors, officers, employees 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.

NOTWITHSTANDING ANYTHING IN THE FOREGOING, NO PUBLIC OFFERING OF THE PLACING SHARES IS BEING MADE BY ANY PERSON ANYWHERE AND THE COMPANY HAS NOT AUTHORISED OR CONSENTED TO ANY SUCH OFFERING IN RELATION TO THE PLACING SHARES.

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, each Manager and their respective affiliates 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