

## THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The definitions and interpretations commencing on page 9 of this Circular apply, *mutatis mutandis*, throughout this Circular, including this front cover (unless the context indicates otherwise).

### Action required

- This Circular is important and should be read in its entirety. Moreover, Shareholders are referred to the section titled: “*Action required by Shareholders*” commencing on page 3 of this Circular, which sets out the detailed actions required of them in respect of the matters dealt with in this Circular.
- If you are in any doubt as to what action you should take arising from this Circular, please consult your Broker, CSDP, banker, accountant, legal advisor or other professional advisor immediately.
- If you have disposed of all your Ordinary Shares, please forward this Circular (together with the Notice of General Meeting and Form of Proxy) to the purchaser of such Ordinary Shares or to the Broker, CSDP, banker, accountant, legal advisor or other agent through whom the disposal was effected.

**Transaction Capital does not accept responsibility, and will not be held liable, for any action of, or omission by, any CSDP or Broker including, without limitation, any failures on the part of the CSDP or Broker of any Beneficial Owner of the Ordinary Shares to notify such Beneficial Owner of the details set out in this Circular.**

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Transaction Capital

**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")

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## CIRCULAR TO SHAREHOLDERS

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relating to:

- **the granting of a specific authority to issue 12 400 000 (twelve million four hundred thousand) authorised but unissued Ordinary Shares for cash to Royal Bafokeng Resources Holdings Proprietary Limited (a special purpose vehicle incorporated by Royal Bafokeng Holdings Proprietary Limited) at an issue price of ZAR20.00 (twenty Rand) per Ordinary Share for an aggregate amount of ZAR248 000 000 (two hundred and forty eight million Rand),**

and including:

- **a notice convening a General Meeting of Shareholders to be held entirely by electronic communication; and**
  - **a Form of Proxy (blue) in respect of the General Meeting (to be completed by Certificated Shareholders and Dematerialised Shareholders with “own name” registration only).**
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Sponsor



Legal Advisor



**Date of issue:** Tuesday, 15 December 2020

*This Circular is available in English only. Copies of this Circular may be obtained during normal business hours (09:00 to 17:00) from the Registered Office of Transaction Capital whose address is set out in the “Corporate Information and Advisors” section of this Circular from Tuesday, 15 December 2020 until Thursday, 14 January 2021, and on Transaction Capital’s website <https://www.transactioncapital.co.za/results-reports.php> as from the date of distribution hereof until the date of the General Meeting.*

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## **IMPORTANT LEGAL NOTICES AND DISCLAIMERS**

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The definitions and interpretations commencing on page 9 of this Circular apply, *mutatis mutandis*, to this “Important Legal Notices and Disclaimers” (unless the context indicates otherwise).

### **DISCLAIMERS**

The release, publication or distribution of this Circular in certain jurisdictions may be restricted by law and therefore persons in any such jurisdictions into which this Circular is released, published or distributed should inform themselves about and observe such restrictions. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws or other laws of any such jurisdiction. Transaction Capital, the Board and the Advisors disclaim any responsibility or liability for the failure to become informed of or to observe or for any violation of such requirements by any person.

To the extent that the distribution of this Circular in certain jurisdictions outside South Africa may be restricted or prohibited by the laws of such foreign jurisdiction, then this Circular is deemed to have been provided for information purposes only and neither Transaction Capital nor the Board, accept any responsibility for any failure by Shareholders to inform themselves about, and to observe, any applicable legal requirements in any relevant foreign jurisdiction.

This Circular does not constitute the solicitation of an offer to sell or an invitation to purchase or subscribe for any Ordinary Shares or a solicitation of any vote or approval in any jurisdiction in which such offer or solicitation would be unlawful.

Shareholders are advised to read this Circular with care. Any decision to approve the Specific Issue and the Proposed Resolutions should be made only on the basis of the information in this Circular.

Shareholders must rely upon their own representatives, including their own legal advisors and accountants, and not those of Transaction Capital, as to legal, tax, investment or any other related matters concerning Transaction Capital.

### **APPLICABLE LAWS**

This Circular has been prepared in accordance with applicable laws and regulations of South Africa. The information disclosed in this Circular may not be the same as that which would have been disclosed had this Circular been prepared in accordance with the laws and regulations of any jurisdictions outside South Africa.

### **DATE OF INFORMATION PROVIDED**

Unless the context clearly indicates otherwise, all information provided in this Circular is provided as at the Last Practicable Date.

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## CORPORATE INFORMATION AND ADVISORS

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### Registered Office

342 Jan Smuts Avenue  
Hyde Park  
Johannesburg  
2196

### Company Secretary

Sharon Nayger  
342 Jan Smuts Avenue  
Hyde Park  
Johannesburg  
2196

### Sponsor

Rand Merchant Bank  
(A division of FirstRand Bank Limited)  
(Registration Number: 1929/001225/06)  
1 Merchant Place  
Corner Fredman Drive and Rivonia Road  
Sandton  
2196  
(PO Box 786273, Sandton, 2146)

### Date of incorporation of Transaction Capital

18 December 2002

### Place of incorporation of Transaction Capital

South Africa

### Website

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

### Legal Advisor

Edward Nathan Sonnenbergs Inc.  
(Registration Number: 2006/018299/21)  
The MARC | Tower 1  
129 Rivonia Road  
Sandton  
2196  
(PO Box 783347, Sandton, 2146)

### Transfer Secretaries

Computershare Investor Services Proprietary Limited  
(Registration Number: 2004/003647/07)  
Rosebank Towers  
15 Biermann Avenue  
Rosebank  
2196  
(Private Bag X9000, Saxonwold, 2132)

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## ACTION REQUIRED BY SHAREHOLDERS

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The definitions and interpretations commencing on page 9 of this Circular apply, *mutatis mutandis*, to this “Action required by Shareholders” section (unless the context indicates otherwise).

**Please take careful note of the following provisions regarding the actions required of Shareholders.**

1. If you are in any doubt as to the action you should take, please consult your Broker, CSDP, banker, accountant, legal advisor or other professional advisor immediately.
2. If you have disposed of all your Ordinary Shares, then this Circular (together with the Notice of General Meeting and Form of Proxy) should be handed to the purchaser of such Ordinary Shares or to the CSDP, Broker or other agent through whom such disposal was effected.
3. This Circular contains information relating to the granting of a specific authority to the Board to issue 12 400 000 (twelve million four hundred thousand) authorised but unissued Ordinary Shares for cash to RBH SPV at an issue price of ZAR20.00 (twenty Rand) per Ordinary Share for an aggregate amount of ZAR248 000 000 (two hundred and forty eight million Rand). Consequently, you should carefully read through this Circular in its entirety and decide how you wish to vote on the Proposed Resolutions.
4. **Transaction Capital does not accept responsibility and will not be held liable for any act of, or omission by, any CSDP or Broker, including, without limitation, any failure on the part of the CSDP or Broker or any registered holder of the Ordinary Shares to notify the holder of any beneficial interest in those Ordinary Shares of the General Meeting or any other matter set out in this Circular.**

5. **GENERAL MEETING**

- 5.1 A General Meeting will be held entirely by electronic communication at 10:00 on Thursday, 14 January 2021 to:
  - 5.1.1 deal with such business as may lawfully be dealt with at the General Meeting; and
  - 5.1.2 consider and, if deemed fit, pass, with or without modification, the Proposed Resolutions in the manner required by the Companies Act, as read with the JSE Listings Requirements.

A notice convening such General Meeting is attached to, and forms part of, this Circular.

- 5.2 Against the backdrop of the COVID-19 pandemic and subsequent impact in South Africa, the general uncertainty occasioned by this and the related restrictions imposed (or which may be imposed) by the South African Government on travel and the holding of public gatherings and the implementation of distancing measures, thereby limiting the ability of Shareholders to participate in person in the General Meeting, the General Meeting will be held entirely through electronic communication, as contemplated in section 63(2)(a) of the Companies Act, and having regard to these measures and the impact of COVID-19. The General Meeting will be conducted on an interactive electronic platform in compliance with, *inter alia*, the quorum requirements contained in the MOI and the Companies Act.

- 5.3 For more information about the online facility and the means of connecting thereto, please see the section titled “*Electronic Participation at the General Meeting*” below.

6. **DEMATERIALIZED SHAREHOLDERS WITHOUT “OWN-NAME” REGISTRATION**

- 6.1 If you have Dematerialised your Ordinary Shares without “own name” registration, then the following actions are relevant to you in connection with the General Meeting.
- 6.2 If you do not wish to or are unable to participate in the General Meeting, but wish to vote thereat, you should:

- 6.2.1 provide your CSDP or Broker with your voting instructions in terms of the Custody Agreement entered into between you and your CSDP or Broker; and
- 6.2.2 contact your CSDP or Broker regarding the cut-off time for submitting your voting instructions to them.
- 6.3 If your CSDP or Broker does not obtain voting instructions from you, it will be obliged to vote in accordance with the instructions contained in the Custody Agreement concluded between you and your CSDP or Broker.
- 6.4 You must **not** complete the attached Form of Proxy (*blue*).
- 6.5 Dematerialised Shareholders without “*own-name*” registration are strongly urged to ensure the timeous receipt by the Transfer Secretaries of the above documents, due to the exigencies of the necessary verification exercise that must be completed to ensure that all attendees are lawful participants, it may not be possible to promptly verify a Dematerialised Shareholder without “*own-name*” registration once the General Meeting has commenced.

## 7. **CERTIFICATED SHAREHOLDERS AND DEMATERIALISED SHAREHOLDERS WITH “OWN-NAME” REGISTRATION**

- 7.1 If you are a Certificated Shareholder or you have Dematerialised your Ordinary Shares with “*own name*” registration, then the following actions are relevant to you in connection with the General Meeting.
- 7.2 You may participate in the General Meeting as outlined in paragraph 8 below.
- 7.3 If you do not wish to or are unable to attend the General Meeting but wish to be represented thereat, you should complete the Form of Proxy (*blue*) and return same, together with proof of identification (i.e. valid South African identity document, driver’s license or passport) and authority to do so (where acting in a representative capacity), to the Transfer Secretaries, as follows:
  - 7.3.1 by email: at [proxy@computershare.co.za](mailto:proxy@computershare.co.za);
  - 7.3.2 by hand: Computershare Investor Services Proprietary Limited, 1<sup>st</sup> Floor, Rosebank Towers, 15 Biermann Avenue, Rosebank, Johannesburg 2196, South Africa; or
  - 7.3.3 by post: Computershare Investor Services Proprietary Limited, Private Bag X9000, Saxonwold, 2132,

so as to be received by the Transfer Secretaries by no later than 10:00 on Tuesday, 12 January 2021, provided that any Form of Proxy (*blue*) not delivered to the Transfer Secretaries by this time and date may be emailed to the Transfer Secretaries (who will provide same to the chairman of the General Meeting) at any time prior to the General Meeting, provided that such Form of Proxy (*blue*) and identification must be verified and registered before the commencement of the General Meeting.

## 8. **ELECTRONIC PARTICIPATION AT THE GENERAL MEETING**

- 8.1 In light of the lockdown and restrictions on public gatherings pursuant to the regulations issued in terms of section 27(2) of the DMA arising from the COVID-19 pandemic, the General Meeting will be conducted entirely through electronic communication. Transaction Capital is permitted in terms of the Companies Act and its MOI to hold a shareholders’ meeting entirely by electronic communication. The decision has been taken by the Board that it is appropriate to hold the General Meeting entirely by electronic communication in accordance with the provisions of clause 19.7 of the MOI read with section 63(2) of the Companies Act.

8.2 The electronic meeting facilities will permit all Shareholders to be able to communicate concurrently with each other without an intermediary, and to participate reasonably effectively in the meeting. Voting via the electronic facility will be the only method available to Shareholders to vote their Ordinary Shares at the General Meeting. The electronic facility which has been elected by Transaction Capital for purposes of the General Meeting is Lumi AGM, an electronic facility which may be accessed by using a smartphone, tablet or computer.

### 8.3 Registration

8.3.1 Should you wish to participate in the General Meeting you will be required to pre-register your personal details to enable you to participate in the General Meeting by taking the following action:

8.3.1.1 register online at [www.smartagm.co.za](http://www.smartagm.co.za) by no later than 10:00 on Tuesday, 12 January 2021. You may still register online to participate in and/or vote electronically at the General Meeting after this date and time, provided, however, that for you to participate and/or vote electronically at the General Meeting, you must be verified and registered before the commencement of the General Meeting; and

8.3.1.2 upload proof of identification (e.g. valid South African identity document, South African driver's license or passport), as well as provide the following details: your name, surname, email address and contact number.

8.3.2 If you have Dematerialised your Ordinary Shares without "own name" registration then you must in addition to the actions listed above, request your CSDP or Broker to provide you or your proxy with the necessary authority (i.e. letter of representation) in terms of the Custody Agreement entered into between you and your CSDP or Broker and upload same.

### 8.4 Participation

Following successful completion of the registration process contemplated above, you will be required to connect to the General Meeting by using the link below and following the relevant prompts:

<https://web.lumiagm.com>


### 8.5 Access and Navigation


8.5.1 Download the Lumi AGM app from the Apple App or Google Play Stores by searching for Lumi AGM.

8.5.2 Visit <https://web.lumiagm.com> on your smartphone, tablet or computer. You will need the latest versions of Chrome, Safari, Internet Explorer 11, Edge or Firefox. Please ensure your browser is compatible.

8.5.3 Once you have either downloaded the Lumi AGM app or entered <https://web.lumiagm.com> into your web browser, you will be prompted to enter the Meeting ID, which shall have been emailed to you (or your representative or proxy) following completion of the registration process contemplated above.


8.5.4 Once you have successfully entered the Meeting ID, you will then be required to enter your user name and password, both of which shall have been emailed to you following completion of the registration process contemplated above.

8.5.5 When you are successfully authenticated, the info screen  will be displayed. You can view company information, ask questions and watch the webcast.

8.5.6 If you would like to watch the webcast, press the broadcast icon  at the bottom of the screen.

8.5.7 If viewing on a computer, the webcast will appear at the side automatically once the meeting has started.

## 8.6 Voting

- 8.6.1 Shareholders connecting to the General Meeting will be able to participate and vote in the General Meeting.
- 8.6.2 In terms of clause 19.29 of the MOI, voting at the General Meeting is by way of a show of hands, unless certain categories of people demand a poll, one of whom is the chairman. As it will not be possible for votes to be taken by a show of hands, the chairman will demand a poll on all the Proposed Resolutions at the start of the General Meeting.
- 8.6.3 The chairman will open voting on the Proposed Resolutions at the start of the General Meeting. Once the voting has opened, the polling icon  will appear on the navigation bar at the bottom of the screen. From here, the Proposed Resolutions and voting choices will be displayed.
- 8.6.4 To vote, simply select the requisite voting direction from the options shown on screen. A confirmation message will appear to show that the vote has been received. The confirmation of the vote being received shall be depicted as follows: **For – Vote received**.
- 8.6.5 To change the vote, simply select another direction. If you wish to cancel the vote, press “Cancel”.
- 8.6.6 Once the chairman has opened voting, voting can be performed at any time during the General Meeting until the chairman closes the voting on the Proposed Resolutions. At that point your last choice will be submitted.
- 8.6.7 You will still be able to send messages and view the webcast whilst the poll is open.
- 8.6.8 Shareholders who are participating via the electronic platform or by proxy at the General Meeting shall have 1 (one) vote for every Ordinary Share held or represented.
- 8.6.9 **Although voting will be permitted by way of electronic communication, you are strongly encouraged to submit your votes by proxy before the General Meeting.**

## 8.7 Assistance

If you experience any difficulty with (i) the registration process contemplated above or (ii) logging into the General Meeting you should request an agent of the Transfer Secretaries to assist you with such difficulty by emailing the following email address: [proxy@computershare.co.za](mailto:proxy@computershare.co.za).

## 8.8 Electronic Notice and Identification

- 8.8.1 **IMPORTANT NOTE:** As required in terms of section 63(1) of the Companies Act, before any person may attend or participate in the General Meeting, that person must present reasonably satisfactory identification, and the presiding person at the meeting must be reasonably satisfied, that the right of that person to participate and vote, either as a shareholder or as a proxy for a shareholder, has been reasonably verified. So as to comply with this verification procedure set out in section 63(1) of the Companies Act, if you wish to participate electronically in the General Meeting you are strongly encouraged to email a written notice to the Transfer Secretaries at [proxy@computershare.co.za](mailto:proxy@computershare.co.za) by no later than 10:00 on Tuesday, 12 January 2021 confirming that you wish to participate via electronic communication at the General Meeting (the “**Electronic Notice**”). The Electronic Notice must contain a valid email address for the person wishing to participate and must be accompanied by:
- 8.8.1.1 if you are an individual, a copy of his/her original South African identity document and/or passport and/or South Africa driver’s licence;
- 8.8.1.2 if you are not an individual, a copy of a resolution by the relevant entity and a certified copy of the South African identity documents and/or passports of the persons who passed the relevant resolution, which resolution must set out who from the relevant entity is authorised to represent the relevant entity at the General Meeting via electronic communication; and
- 8.8.1.3 in all cases, a valid email address and/or mobile telephone number (the contact email address/number).



This is necessary in order to obtain a user name and a unique nine-digit meeting identity code, without which it will not be possible to participate in the General Meeting. Sufficient time is needed for the Transfer Secretaries to verify the participant and then assign a user name and a unique nine-digit meeting identity code which reflects the number of Ordinary Shares in respect of which voting is permitted. If the number of Ordinary Shares reflected is nil, you will be able to attend the General Meeting and view the proceedings as a guest but will not be able to ask questions, make comments or vote.

- 8.8.2 If you do not send an Electronic Notice recording your intention to participate in the General Meeting to the Transfer Secretaries by 10:00 on Tuesday, 12 January 2021, you may still participate via electronic communication at the General Meeting and may email the Electronic Notice to the Transfer Secretaries at any time prior to the commencement of the General Meeting. **However, for the purpose of effective administration, you (and your proxies and representatives) wishing to participate in the General Meeting are strongly urged to send the Electronic Notice by 10:00 on Tuesday, 12 January 2021.**
- 8.9 Transaction Capital will make the webcast facilities available via Lumi AGM for the duration of the General Meeting at no cost to you. However, any third-party costs relating to the use or access of the webcast facilities will be for your own account.
- 8.10 You will be liable for your own network charges in relation to electronic participation in and/or voting at the General Meeting. Any such charges will not be for the account of the JSE, Transaction Capital and/or the Transfer Secretaries.
- 8.11 Neither the JSE, Transaction Capital nor the Transfer Secretaries will be held accountable in the case of loss of network connectivity or other network failure due to insufficient airtime, internet connectivity, internet bandwidth and/or power outages which prevents you from participating in and/or voting at the General Meeting.
- 8.12 The provisions of this paragraph 8, in particular the procedures and action to be taken in order to participate electronically in the General Meeting, apply equal to your representative and or proxy (if any).

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## IMPORTANT DATES AND TIMES

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The definitions and interpretations commencing on page 9 of this Circular apply, *mutatis mutandis*, to this “important dates and times” section (unless the context indicates otherwise).

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**2020/2021**

Posting Record Date to be eligible to receive the Circular and Notice of General Meeting	Friday, 4 December
Last Practicable Date	Tuesday, 8 December
SENS announcement confirming: (i) publication of the Circular on Transaction Capital’s website and (ii) posting of the Circular	Tuesday, 15 December
Circular and Notice of General Meeting posted to Shareholders on or before	Tuesday, 15 December
Announcement providing details of the Specific Issue, as specifically contemplated in JSE Listings Requirement 11.20, and published in the South African press	Thursday, 17 December
Last Day to Trade in order for Shareholders to be recorded in the Register in order to be eligible to participate and vote at the General Meeting ( <b>Last Day to Trade</b> )	Tuesday, 5 January
Voting Record Date in order for Shareholders to be recorded in the Register in order to be eligible to vote at the General Meeting ( <b>Voting Record Date</b> )	Friday, 8 January
Last Day and time to give notice to participate in the General Meeting electronically by 10:00 on	Tuesday, 12 January
Recommended last day and time to lodge Forms of Proxy with the Transfer Secretaries by 10:00 on	Tuesday, 12 January
General Meeting to be held at 10:00 on	Thursday, 14 January
Results of the General Meeting released on SENS on	Thursday, 14 January
Expected date on which the RBH Subscription Shares will be listed and issued to RBH SPV	Tuesday, 16 February

### Notes:

1. All dates and times above and quoted generally in this Circular are South African local times unless otherwise stated.
2. These dates and times are subject to amendment by Transaction Capital (and, to the extent necessary, the JSE and other regulatory authorities). Any such amendment will be released on SENS and published in the South African press.
3. Shareholders should note that as transactions in Ordinary Shares are settled in the electronic settlement system used by Strate, settlement of trades takes place 3 (three) Business Days after such trade. Therefore persons who acquire Ordinary Shares after the Last Day to Trade (expected to be Tuesday, 05 January 2021) will not be eligible to vote at the General Meeting.
4. Shareholders are reminded that Ordinary Shares can only be traded in Dematerialised form. It is therefore suggested that Certificated Shareholders on the Register Dematerialise their Ordinary Shares prior to the Last Day to Trade. No orders to Dematerialise or rematerialise Ordinary Shares will be processed from the Business Day following the Last Day to Trade up to and including the Voting Record Date, but such orders will again be processed from the first Business Day after the Voting Record Date.
5. The Register for Certificated Shareholders will be closed between the Last Day to Trade and the Voting Record Date.
6. If the General Meeting is adjourned or postponed, the above dates and times will change, but the applicable Form of Proxy (*blue*) submitted for the General Meeting will remain valid in respect of any postponement prior to convening, adjournment or postponement of the General Meeting.
7. Any Form of Proxy (*blue*) not delivered to the Transfer Secretaries by the date and time stipulated herein may be submitted electronically to the Transfer Secretaries by no later than the commencement of the General Meeting (or any adjournment or postponement thereof) before such Shareholder’s voting rights are exercised at the General Meeting (or any adjournment or postponement thereof).

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## DEFINITIONS AND INTERPRETATIONS

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In this Circular, the Notice of General Meeting and the Form of Proxy (*blue*) attached hereto, unless otherwise stated or clearly indicated by the context, 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 genders and references to a natural person include references to a juristic person and *vice versa*.

<b>“Advisors”</b>	collectively, the Sponsor and the Legal Advisor, whose details are set out in the “ <i>Corporate Information and Advisors</i> ” section of this Circular;
<b>“Annexures”</b>	the annexures to this Circular;
<b>“Beneficial Owner”</b>	a shareholder on whose behalf any Certificated Ordinary Share is held by a nominee or on whose behalf a Dematerialised Ordinary Share (not held on an Own Name basis) is held by a CSDP or Broker, or a nominee of a CSDP or Broker, in accordance with a Custody Agreement;
<b>“Board” or “Directors”</b>	means the board of directors of Transaction Capital, as set out on page 14 of this Circular;
<b>“Broker”</b>	any person registered as a “ <i>broker member equities</i> ” in terms of the rules of the JSE in accordance with the provisions of the Financial Markets Act;
<b>“Business Day”</b>	any day other than a Saturday, Sunday or proclaimed public holiday in South Africa;
<b>“cents”</b>	South African cents, a denomination of the official currency of South Africa;
<b>“Certificated Ordinary Shares”</b>	issued Ordinary Shares that have not been Dematerialised, but title to which is evidenced by a share certificate or other documents of title acceptable to Transaction Capital;
<b>“Certificated Shareholder/s”</b>	Shareholders who hold Certificated Ordinary Shares;
<b>“Circular”</b>	this bound document, dated Tuesday, 15 December 2020, including the Annexures hereto incorporating the Notice of General Meeting and Form of Proxy ( <i>blue</i> );
<b>“Companies Act”</b>	the Companies Act, No. 71 of 2008 as amended and substituted from time to time;
<b>“Company Secretary”</b>	the company secretary of Transaction Capital, who as at the date of this Circular is as set out on page 1 under the “ <i>Corporate Information and Advisors</i> ” section of this Circular;
<b>“Company” or “Transaction Capital”</b>	Transaction Capital Limited (Registration Number: 2002/031730/06), a public company duly incorporated and registered in accordance with the laws of South Africa and the Ordinary Shares of which are listed on the exchange operated by the JSE;
<b>“Conditions Precedent”</b>	the conditions precedent to which the Specific Issue is subject to, as set out in paragraph 5.5 below;
<b>“CSDP”</b>	a Central Securities Depository Participant, being a “participant” as defined in section 1 of the Financial Markets Act;
<b>“Custody Agreement”</b>	a custody mandate agreement which may be concluded between a shareholder and a CSDP or Broker, regulating their relationship in respect of Dematerialised Ordinary Shares held on the respective sub-register of the applicable shareholders as administered by such CSDP or Broker on behalf of such shareholders;

<b>“Dematerialised Ordinary Shares”</b>	Ordinary Shares which have been Dematerialised and ownership of which is recorded in a sub-register of Shareholders administered by a CSDP, which subregister forms part of the Register;
<b>“Dematerialised Shareholder/s”</b>	Shareholders who hold Dematerialised Ordinary Shares;
<b>“Dematerialised” or “Dematerialisation”</b>	the process whereby physical share certificates are replaced with electronic records evidencing ownership of Ordinary Shares in accordance with the rules of Strate, as contemplated in the Financial Markets Act;
<b>“DMA”</b>	the Disaster Management Act, No. 57 of 2002, as amended and substituted from time to time;
<b>“Entity”</b>	includes any association, business, close corporation, company, concern, enterprise, firm, partnership, person, trust, undertaking, voluntary association or other similar entity whether corporate or unincorporate;
<b>“Financial Markets Act”</b>	the Financial Markets Act, No. 19 of 2012, and the regulations thereunder, as may be amended and substituted from time to time;
<b>“Form(s) of Proxy”</b>	the form of proxy ( <i>blue</i> ) incorporated into this Circular for use by Certificated Shareholders and Dematerialised Shareholders with “ <i>own-name</i> ” registration only, for purposes of appointing a proxy to represent such Shareholder at the General Meeting;
<b>“General Meeting”</b>	the general meeting of Shareholders, convened in terms of the Notice of General Meeting attached to, and forming part of, this Circular to consider, and if deemed fit, pass, with or without modification, the Proposed Resolutions, which meeting is expected be held entirely by electronic communication at 10:00 on Thursday, 15 January 2021 or such other adjourned or postponed date or time determined in accordance with the Companies Act (as read with the JSE Listings Requirements);
<b>“JSE”</b>	the JSE Limited (Registration Number: 2005/022939/06), a public company duly incorporated and registered in accordance with the laws of South Africa and licensed as an exchange under the Financial Markets Act;
<b>“JSE Listings Requirements”</b>	the listings requirements of the JSE, as amended or supplemented from time to time;
<b>“Last Day to Trade”</b>	the last Business Day to trade Ordinary Shares in order to settle same and reflect in the Register so as to be eligible to vote on the Proposed Resolutions;
<b>“Last Practicable Date”</b>	Tuesday, 08 December 2020, being the last practicable date prior to finalisation of this Circular;
<b>“Legal Advisor”</b>	Edward Nathan Sonnenbergs Incorporated, whose details are set out in the “ <i>Corporate Information and Advisors</i> ” section of this Circular;
<b>“MOI”</b>	the memorandum of incorporation of Transaction Capital, as contemplated under the Companies Act;
<b>“Notice of General Meeting”</b>	the notice to Shareholders convening the General Meeting to conduct the business described therein and to consider and, if deemed fit, pass with or without modification, the Proposed Resolutions;
<b>“Ordinary Shares”</b>	ordinary shares of no par value in the share capital of Transaction Capital and listed on the main board JSE;
<b>“Proposed Resolutions”</b>	the special and ordinary resolutions as set out in the Notice of General Meeting to be considered and, if deemed fit, passed with or without modification, by the requisite majority of Shareholders at the General Meeting;

<b>“RBH”</b>	Royal Bafokeng Holdings Proprietary Limited (Registration Number: 2006/006906/07), a private company duly incorporated and registered in accordance with the laws of South Africa and wholly owned by the RBNDDT;
<b>“RBH SPV”</b>	Royal Bafokeng Resources Holdings Proprietary Limited (Registration Number: 2002/015191/07), a private company duly incorporated and registered in accordance with the laws of South Africa and wholly owned by RBH;
<b>“RBH Subscription Agreement”</b>	the written subscription agreement entered into between Transaction Capital and RBH SPV on Monday, 30 November 2020 in terms of which RBH SPV will subscribe for, and Transaction Capital will issue, the RBH Subscription Shares at the RBH Subscription Consideration, on the terms and conditions contained therein;
<b>“RBH Subscription Consideration”</b>	ZAR20.00 (twenty Rand) per RBH Subscription Share, being an aggregate amount of ZAR248 000 000 (two hundred and forty eight million Rand) and representing a 7.4% (seven point four percent) discount to the VWAP of an Ordinary Share traded on the JSE over 30 (thirty) Trading Days up to 23 November 2020, being the date on which the terms of the Specific Issue was determined and agreed between RBH SPV and Transaction Capital as reflected in the RBH Subscription Agreement;
<b>“RBH Subscription Date”</b>	the 5th (fifth) business day following the day on which all the Conditions Precedent have been fulfilled (or, where appropriate, waived), or such other date as Transaction Capital and RBH SPV may agree to in writing;
<b>“RBH Subscription Shares”</b>	12 400 000 (twelve million four hundred thousand) Ordinary Shares in the authorised but unissued share capital of Transaction Capital to be issued to RBH SPV pursuant to the RBH Subscription Agreement, representing 1.9% (one point nine percent) of the issued Ordinary Share capital of Transaction Capital;
<b>“RBNDDT”</b>	the Royal Bafokeng Nation Development Trust (Master Reference Number: IT 2482/04 (T));
<b>“Register”</b>	the register of Certificated Shareholders maintained by the Transfer Secretaries on behalf of Transaction Capital and each of the sub-registers of Dematerialised Shareholders maintained by the relevant CSDPs in terms of the Financial Markets Act;
<b>“Registered Office”</b>	the registered office of Transaction Capital, being 342 Jan Smuts Avenue, Hyde Park, Johannesburg, 2196;
<b>“SA Taxi”</b>	SA Taxi Holdings Proprietary Limited (Registration Number: 2004/001531/07), a private company duly incorporated in accordance with the laws of South Africa, the equity share capital of which is held 73.9% (seventy three point nine percent) by Transaction Capital, 1.1% (one point one percent) by the Empire Family Trust and 25% (twenty five percent) by The South African National Taxi Association (SANTACO);
<b>“SA Taxi Group”</b>	SA Taxi and its Subsidiaries from time to time;
<b>“SENS”</b>	the Stock Exchange News Service of the JSE;
<b>“Shareholders”</b>	the registered holders of Ordinary Shares from time to time;
<b>“SME”</b>	small to medium enterprises;
<b>“South Africa”</b>	the Republic of South Africa;
<b>“Specific Issue”</b>	the specific issue of the RBH Subscription Shares pursuant to the RBH Subscription Agreement, in terms of paragraph 5.51 of the JSE Listings Requirements and as further detailed in paragraph 5 of this Circular;

<b>“Sponsor”</b>	Rand Merchant Bank (a division of FirstRand Bank Limited), whose details are set out in the <i>“Corporate Information and Advisors”</i> section of this Circular;
<b>“Strate”</b>	Strate Proprietary Limited (Registration Number: 1998/022242/07), a private company duly incorporated and registered in accordance with the laws of South Africa under, which is a registered central securities depository in terms of the Financial Markets Act and which is responsible for the electronic settlement system for transactions that take place on the JSE and off market trades;
<b>“TC Business”</b>	the business of the Transaction Capital Group, from time to time;
<b>“TCRS”</b>	Transaction Capital Risk Services Holdings Proprietary Limited, (Registration Number: 2016/399014/07), a private company duly incorporated in accordance with the laws of South Africa and a wholly owned subsidiary of Transaction Capital;
<b>“TCRS Group”</b>	TCRS and its Subsidiaries from time to time;
<b>“Trading Days”</b>	any day on which trading takes place through the usual trading systems on the JSE;
<b>“Transaction Capital Group” or “Group”</b>	Transaction Capital and all its subsidiaries or other Entities, the financial results of which are or are required to be consolidated in Transaction Capital’s annual financial statements in accordance with Transaction Capital’s accounting policies from time to time;
<b>“Transaction Capital” or “Company”</b>	Transaction Capital Limited (Registration Number: 2002/031730/06), a public company duly incorporated and registered in accordance with the laws of South Africa and the Ordinary Shares of which are listed on the exchange operated by the JSE;
<b>“Transfer Secretaries”</b>	the transfer secretaries of Transaction Capital, presently being Computershare Investor Services Proprietary Limited, whose details are set out on page 1 under the <i>“Corporate Information and Advisors”</i> section of this Circular;
<b>“Uncertificated Register”</b>	a register of Dematerialised Shareholders maintained in terms of the Companies Act and administered by a shareholder’s CSDP in electronic form, which forms part of the Register;
<b>“Voting Record Date”</b>	the date on which Shareholders must be entered in the Register in order to be eligible to participate and vote at the General Meeting;
<b>“VWAP”</b>	volume weighted average price, being the weighted average traded price of the Ordinary Shares traded, divided by the total number of Ordinary Shares traded, over a particular period of time;
<b>“WeBuyCars”</b>	We Buy Cars Proprietary Limited (Registration Number: 2015/130772/07), a private company duly incorporated in accordance with the laws of South Africa, of which 50.1% (fifty point one percent) is held by WBC Holdings and 49.9% (forty nine point nine percent) is held by Transaction Capital;
<b>“WBC Holdings”</b>	WBC Holdings Proprietary Limited (Registration Number: 2020/632225/07), a private company duly incorporated in accordance with the laws of South Africa; and
<b>“ZAR” or “Rand” or “R”</b>	South African rand, the official currency of South Africa.

**Notes:**

1. In this Circular, unless the context indicates a contrary intention:
2. any word or expression defined in the JSE Listings Requirements and/or the Companies Act and not expressly defined in this Circular shall have the meaning given in the JSE Listings Requirements and/or the Companies Act;
3. headings are to be ignored in construing this Circular;
4. references to a paragraph or Annexure are to a paragraph of, or Annexure to, this Circular;
5. any reference to a time of day is a reference to South Africa Standard Time (SAST), unless a contrary indication appears;
6. a reference to any statute or statutory provision shall be construed as a reference to the same as it may have been, or may from time to time be, amended, modified, replaced or re-enacted;
7. a reference to any other document referred to in this circular is a reference to that other document as amended, revised, varied, novated or supplemented at any time;
8. where any number of days is prescribed, those days shall be reckoned exclusively of the first and inclusively of the last day unless the last day falls on a day which is not a Business Day, in which event the last day shall be the next succeeding Business Day; and
9. the use of the word including, include/s, in particular or any similar such word followed by a specific example/s shall not be construed as limiting the meaning of the general wording preceding it and the *eiusdem generis* rule shall not be applied in the interpretation of such general wording or such specific example/s.





Transaction Capital

**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")

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**Transaction Capital Directors**

**Executive**

David Hurwitz (Chief Executive Officer)  
Sean Doherty (Chief Financial Officer)  
Mark Herskovits  
Jonathan Jawno  
Michael Mendelowitz

**Independent Non-executive**

Christopher Seabrooke (Chairman)  
Buhle Hanise  
Phumzile Langeni  
Kubandiran Pillay  
Diane Radley  
Ian Kirk  
Dr Suresh Kana  
Sharon Wapnick

**Non-executive**

Roberto Rossi

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**CIRCULAR TO SHAREHOLDERS**

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**1. INTRODUCTION**

- 1.1 Shareholders are referred to the announcement released on SENS on Tuesday, 24 November 2020 and published in the press on Wednesday, 25 November 2020, advising Shareholders that:
  - 1.1.1 Transaction Capital and RBH SPV have entered into the RBH Subscription Agreement in terms of which, subject to the fulfilment (or, where appropriate, waiver), of the Conditions Precedent, RBH SPV will, with effect from the RBH Subscription Date, subscribe for the RBH Subscription Shares at the RBH Subscription Consideration; and
  - 1.1.2 Transaction Capital intends to convene a General Meeting to seek certain authorities from the Shareholders that would permit the Specific Issue.
- 1.2 For a full understanding of the Specific Issue and the Proposed Resolutions, this Circular should be read in its entirety.

**2. PURPOSE OF THIS CIRCULAR**

The purpose of this Circular is to:

- 2.1 provide Shareholders with all relevant information relating to the Specific Issue, so as to enable Shareholders to make an informed decision as to whether or not they should vote in favour of the Proposed Resolutions; and
- 2.2 give notice convening the General Meeting in order for Shareholders to, if deemed fit, pass, with or without modification, the Proposed Resolutions.



### 3. BUSINESS OF TRANSACTION CAPITAL GROUP

- 3.1 Led by entrepreneurial management teams, the TC Business is positioned deliberately in relation to socio-economic dynamics in defensive market segments. The operational, financial and strategic flexibility of the TC Business allows it to quickly align its operating models, financial structures and growth plans to prevailing economic realities and emerging opportunities. This enables the TC Business to consistently deliver good commercial returns and meaningful social value.
- 3.2 The Transaction Capital Group's market-leading and diversified business platforms leverages its specialised expertise, proprietary data and technology to create value for its customers. The business models of the SA Taxi Group, the TCRS Group and WeBuyCars are highly relevant in an operating context that is being redefined by COVID-19. With the support from the Transaction Capital Group, the TC Business and the business of WeBuyCars continues to refine its competitive value propositions, diversify its revenues and expand its total addressable markets.
- 3.3 The SA Taxi Group (in which Transaction Capital owns a 73.9% (seventy three point nine percent) interest) comprises of a business platform utilising specialist capabilities, enriched proprietary data and technology to provide developmental finance, insurance and other services to empower small- and medium-sized minibus taxi operators and create shared value opportunities, thus supporting the sustainability of the minibus taxi industry.
- 3.4 The TCRS Group (in which Transaction Capital owns a 100% (one hundred percent) interest) comprises of a technology-led, data-driven provider of services and capital solutions relating to credit-orientated alternative assets originated and managed through scalable and bespoke platforms operating in South Africa, Australia and select international markets.
- 3.5 WeBuyCars, in which Transaction Capital owns a non-controlling 49.9% (forty nine point nine percent) interest), is a trusted principal trader of used vehicles, offering finance, insurance and other allied products through its physical and e-commerce infrastructure, leveraging its proprietary data with artificial intelligence to dynamically adjust pricing according to vehicle value and demand.

### 4. PROSPECTS

- 4.1 The business models of the SA Taxi Group, the TCRS Group and WeBuyCars have gained relevance in the COVID-19 environment, underpinned by the defensive characteristics of its respective market sectors. With support from the Group executive office, the SA Taxi Group and the TCRS Group will continue to refine its strategic positioning and competitive value propositions, diversify its revenues and expand its total addressable markets.
- 4.2 Transaction Capital's current assessment of operating conditions and growth prospects sees the Transaction Capital Group resuming its strong organic growth trend in the coming year, with FY21 exceeding FY19 levels in line with pre COVID-19 growth rates. Should this expectation materialise, Transaction Capital anticipates being in a position to resume dividend payments. Any forecast financial information, including the prospects statement, has not been reviewed or reported on by Transaction Capital's auditors.
- 4.3 It is important to note that Transaction Capital expects some COVID-19 disruption during the first few months of FY21 (October 2020 to January 2021), with financial and operational performance normalising thereafter.
- 4.4 With uneven signs of recovery and the pandemic resurging in key economies, further shocks to the global economy are possible. The recovery of South Africa's fragile economy is in any event likely to lag that of the global economy, with gross domestic product (GDP) only expected to reach 2019 levels by 2024. Although the SA Taxi Group, the TCRS Group and WeBuyCars are well placed to return to its long-term track records for growth, further sharp downturns in socioeconomic conditions in South Africa remain the primary downside risk to our expectations for growth and returns in the years ahead.

## 5. THE SPECIFIC ISSUE

### 5.1 Introduction and Rationale

- 5.1.1 In October 2020, RBH, through its special purpose vehicle RBH SPV, expressed its intention to acquire and subscribe for a variable number of Ordinary Shares for an aggregate amount of ZAR500 000 000 (five hundred million Rand).
- 5.1.2 In order to facilitate RBH SPV's investment (and ultimately that of RBH), Transaction Capital introduced sellers from whom RBH SPV could acquire 12 000 000 (twelve million) Ordinary Shares at ZAR21.00 (twenty one Rand) per share in the secondary market.
- 5.1.3 The balance of the RBH SPV investment in Transaction Capital will be made via the specific issue of 12 400 000 (twelve million four hundred thousand) Ordinary Shares at ZAR20.00 (twenty Rand) per Ordinary Share, as more fully detailed in this Circular.
- 5.1.4 RBH is a highly regarded and respected South African investment firm and thus the Board is fully supportive of the Specific Issue which will be the start of a long term strategic relationship between RBH and Transaction Capital.
- 5.1.5 RBH's investment in Transaction Capital, through its special purpose vehicle RBH SPV, will also provide an important contribution to Transaction Capital's Broad-Based Black Economic Empowerment credentials.

### 5.2 Intended use of the Funds

- 5.2.1 Transaction Capital continues to leverage its high-IP, technologies and low-cost operational infrastructure to grow in adjacent market segments, related alternative asset classes and new geographies. As market dynamics in the aftermath of COVID-19 become clearer, certain strategic growth initiatives in the TCRS Group and TC Global Finance provide unprecedented opportunities to accelerate capital deployment for attractive risk-adjusted returns.
- 5.2.2 The Group's financial position is robust, with ample access to liquidity. However, given the protracted impact of COVID-19, Transaction Capital believes it is prudent at this time to enhance the Group's financial flexibility and strategic agility. The capital raised pursuant to the Specific Issue will support the accelerated acquisition of non-performing consumer loan portfolios ("**NPL Portfolios**") to be collected as principal in South Africa and Europe in the near term.
- 5.2.3 In South Africa, the market for NPL Portfolio acquisitions is underdeveloped and growing. As the impact of COVID-19 plays out over the medium term, Transaction Capital expects this market's growth rate to accelerate. COVID-19 has caused operational disruption in Transaction Capital's clients' and competitors' call centres and collection operations, leaving its clients with larger levels of NPL Portfolios to manage. As consumer-facing entities seek to reduce fixed costs and shift to variable cost structures, Transaction Capital expects its appetite for outsourcing collections or selling NPL Portfolios to increase significantly. The TCRS Group is well positioned to service the higher levels of activity and has almost 20 (twenty) years of experience in South Africa in acquiring NPL Portfolios and generating attractive risk adjusted returns.
- 5.2.4 As communicated at the time of Transaction Capital's half-year results, its decision to defer further investment in the European specialised credit market was taken to preserve liquidity and favour capital deployment in established operations. Although this market has been in a state of flux for the last 6 (six) months due to the impact of COVID-19, it is evident that there will also be a significant increase in investment opportunities driven by the dislocation of and distress in financial markets. Transaction Capital believes that its strategy to target higher yielding niches of this market in Europe remains sound, and it intends to recommence investment in this large and fragmented market on a conservative basis. Transaction Capital's growth into new geographies, such as our Australian investment strategy, has proven highly effective as it continues to gain traction in the acquisition and collection of NPL Portfolios in this market.
- 5.2.5 Further information regarding the above opportunities is detailed in Transaction Capital's results announcement for the full-year ending 30 September 2020.

### 5.3 Nature of RBH

RBH is an African community investment company which, together with its sole shareholder, the RBNDT, is entrusted with the unique responsibility of preserving and creating intergenerational wealth for the Royal Bafokeng Nation.

RBH strives to continually improve the economic wellbeing and quality of life of the Royal Bafokeng Nation community by investing in businesses that will generate exceptional returns over the long term, thus enabling it to contribute directly to the upliftment of the Royal Bafokeng Nation community, both today and into the future.

Through the RBNDT, dividends received from the RBH investee companies are used to sustainably fund the socio-economic development of the Royal Bafokeng Nation in line with strategic focus areas such as education, health and social development, enterprise development, sport, agriculture, public utilities, protective services, etc.

RBH is currently not a related-party as further contemplated in clause 5.4.4 below.

### 5.4 Terms of the Specific Issue

5.4.1 The Specific Issue is an issue of Ordinary Shares for cash in terms of paragraph 5.51 of the JSE Listings Requirements and as such, will require Shareholder approval by way of an ordinary resolution requiring the support of at least 75% (seventy five percent) of Shareholders present or represented by proxy at the General Meeting.

5.4.2 In terms of the Specific Issue, and subject to the fulfilment (or, where appropriate, waiver) of the Conditions Precedent, Transaction Capital will issue the RBH Subscription Shares for the RBH Subscription Consideration on the RBH Subscription Date. The RBH Subscription Consideration of ZAR20.00 (twenty Rand) per RBH Subscription Share represents a 7.4% (seven point four percent) discount to the VWAP of an Ordinary Share traded on the JSE over 30 (thirty) Trading Days up to 23 November 2020, being the date on which the terms of the Specific Issue was determined and agreed between RBH and Transaction Capital as reflected in the RBH Subscription Agreement.

5.4.3 The RBH Subscription Shares to be issued in terms of the Specific Issue are of a class of securities of Transaction Capital that are already in issue and will rank *pari passu* in every respect with existing Ordinary Shares in issue.

5.4.4 As at the Last Practicable Date, RBH SPV holds 12 000 000 (twelve million) Ordinary Shares, constituting 1.81% (one point eight one percent) of the issued Ordinary Shares in Transaction Capital. Accordingly, the proposed Specific Issue will result in RBH SPV acquiring and holding a further 12 400 000 (twelve million four hundred thousand) Ordinary Shares, constituting 1.9% (one point nine percent) of the issued Ordinary Shares in Transaction Capital, and is therefore an issue to a public shareholder and not to a non-public shareholder or related party as defined in the JSE Listings Requirements.

### 5.5 Conditions Precedent to the Specific Issue

5.5.1 The Specific Issue and the RBH Subscription Agreement are subject to the fulfilment (or, where appropriate, waiver) of the following conditions precedent by no later than 15 February 2021 (the "**Longstop Date**"), or such later date as agreed to in writing by Transaction Capital and RBH SPV:

5.5.1.1 all applicable resolutions having been passed by Shareholders approving the Specific Issue as required in terms of paragraph 5.51 of the Listings Requirements; and

5.5.1.2 the JSE approving the listing of the RBH Subscription Shares.

5.5.2 Transaction Capital and RBH SPV shall use their reasonable endeavours and will co-operate in good faith to procure the fulfilment of the Conditions Precedent which are within their control to fulfil as soon as reasonably possible.

5.5.3 The Conditions Precedent set out in paragraphs 5.5.1.1 and 5.5.1.2 above are regulatory in nature and are not capable of waiver.

5.5.4 The Longstop Date may be extended by written agreement between Transaction Capital and RBH SPV from time to time, subject to any approval as may be required from the JSE. Any extension of the Longstop Date will be announced on SENS and published in the South African press.

## 6. **PRO FORMA FINANCIAL EFFECTS OF THE SPECIFIC ISSUE OF SHARES FOR CASH**

6.1 In terms of paragraphs 11.19A (b) and (f) of the JSE Listings Requirements, if a specific issue of shares for cash relates to a class of securities already in issue, and is for cash without any other impact on the financial statements of the company, then the company will be exempted from producing and presenting the *pro forma* financial effects of the specific issue.

6.2 As the Specific Issue will have no impact on Transaction Capital's financial statements, other than the receipt of cash, Transaction Capital will accordingly not provide Shareholders with the *pro forma* financial effects of the Specific Issue.

6.3 Shareholders are referred to 5.2 of this Circular for further information regarding the utilisation of the proceeds of the Specific Issue.

## 7. **SHARE PRICE HISTORY**

A table of the aggregate volumes and values of the Ordinary Shares traded on the JSE, and the highest and lowest prices traded, for each month over the 12 (twelve) months prior to the Last Practicable Date and for each day over the 30 (thirty) Trading Days prior to the Last Practicable Date is included in **Annexure 1** to this Circular.

## 8. **SHARE CAPITAL OF TRANSACTION CAPITAL**

The share capital of Transaction Capital before and after the Specific Issue is set out in the tables below.

### **Before the Specific Issue**

#### **Ordinary Shares**

*Authorised*

1 000 000 000 Ordinary Shares of no par value

*Issued*

661 867 770 Ordinary Shares of no par value

#### **Preference Shares**

*Authorised*

10 000 000 cumulative, non-participating, non-convertible preference shares of no par value

*Issued*

Nil cumulative, non-participating, non-convertible preference shares of no par value

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**Total Issued share capital**

**661 867 770**

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## After the Specific Issue

### Ordinary Shares

*Authorised*

1 000 000 000 Ordinary Shares of no par value

*Issued*

674 267 770 Ordinary Shares of no par value

### Preference Shares

*Authorised*

10 000 000 cumulative, non-participating, non-convertible preference shares of no par value

*Issued*

Nil cumulative, non-participating, non-convertible preference shares of no par value

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<b>Total Issued share capital</b>	<b>674 267 770</b>
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**Note:** Transaction Capital holds no issued shares in treasury as at the Last Practicable Date.

## 9. DIRECTORS INFORMATION

### 9.1 Director Details

There will be no variation in the full names, business addresses and functions in the Transaction Capital Group of Directors, as a direct consequence of the Specific Issue and implementation of the RBH Subscription Agreement.

### 9.2 Directors Remuneration

There will be no variation in the remuneration to be received by any of the Directors as a direct consequence of the Specific Issue and implementation of the RBH Subscription Agreement.

### 9.3 Directors Interest in Securities

As at the Last Practicable Date the Directors, and persons who were directors of Transaction Capital within the preceding 18 (eighteen) months, and any associates of the aforementioned have the following direct or indirect beneficial interests in the Ordinary Shares:

<b>Director</b>	<b>Beneficial direct interest (No. of Shares) ('000)</b>	<b>Beneficial indirect interest (No. of Shares) ('000)</b>	<b>% of Issued Share Capital</b>
David Hurwitz <sup>1</sup>	–	4 427	<1%
Mark Herskovits	1 547	–	<1%
Roberto Rossi	36 333	–	5.49%
Jonathan Jawno	–	36 333	5.49%
Michael Mendelowitz <sup>2</sup>	36 333	–	5.49%
Sharon Wapnick	82	–	<1%
Chris Seabrooke	–	10 000	1.51%
Diane Radley	10	–	<1%
<b>Total</b>	<b>74 305</b>	<b>50 760</b>	<b>18.90%</b>

There has been no change in the directors' interest between the end of the preceding financial year (being 30 September 2020) and the Last Practicable Date, except for the below.

1. In November 2020, The Dovie Trust, the family trust of David Hurwitz of which he is a discretionary beneficiary disposed of 450 000 shares resulting in his Beneficial indirect interest reducing to 4 426 769 Ordinary Shares;
2. In November 2020, the Mendelowitz family's look-through interest of 36 333 333 shares held by the Rutland Trust were distributed to Michael Mendelowitz, resulting in his Beneficial direct interest increasing to 36 333 333 Ordinary Shares.

There will be no change in the aforementioned Director's interests as a result of the Specific Issue.

#### 9.4 Directors Interest in Transactions

Except for the below, no Director has any material direct or indirect beneficial interest in any transactions which were effected by Transaction Capital during the current or immediately preceding financial year or during an earlier financial year which remain in anyway outstanding or unperformed.

Transaction Capital has, through its wholly-owned subsidiary, TCRS, entered into a joint venture arrangement with Genki Group Limited (“**Genki**”), a company owned by the respective trusts of directors of Transaction Capital, Jonathan Jawno, Michael Mendelowitz and Roberto Rossi (collectively referred to as the Founders), in order to invest in European alternative credit assets and specialty finance platforms (collectively referred to as distressed debt). Each of Transaction Capital and Genki have allocated up to €50 million to the joint venture.

#### 10. LITIGATION STATEMENT

There are no legal or arbitration proceedings, pending or threatened, of which the Transaction Capital Group is aware, that may have or have had, in the 12 (twelve) month period prior to the Last Practicable Date, a material effect on the financial positions of the Transaction Capital Group.

#### 11. PRELIMINARY EXPENSES

The following expenses and provisions are expected, or have been provided for, in connection with the Specific Issue by Transaction Capital. All the fees payable to the parties below are exclusive of value added tax:

Description	Payable to	Estimated Amount (R)
Electronic Meeting	Computershare Investor Services Proprietary Limited	60 000
Sponsor	Rand Merchant Bank (A division of FirstRand Bank Limited)	250 000
Legal	Edward Nathan Sonnenbergs Incorporated	490 000
Printing and Postage	INCE	200 000
Transfer Secretaries	Computershare Investor Services Proprietary Limited	–
Documentation Review	JSE	23 364.82
Listing Fees	JSE	136 694.18
<b>Total</b>		<b>R1 160 059.00</b>

#### 12. DIRECTORS’ RECOMMENDATION

12.1 The Board has evaluated the rationale for the Proposed Resolutions, in particular the Specific Issue, as well as the terms of the Specific Issue, and recommends that Shareholders vote in favour of the Specific Issue at the General Meeting to be convened for the purposes of considering, and if deemed fit, passing with or without modification the Proposed Resolutions required to give effect to, *amongst other things*, the Specific Issue.

12.2 Directors who hold Ordinary Shares as disclosed in paragraph 9.3 above of this Circular, intend voting, where permitted, in favour of the Proposed Resolutions required to give effect to the Specific Issue.

#### 13. CONSENTS

All the parties listed in the section entitled “*Corporate Information and Advisors*” have consented in writing to act in the capacities stated and to their names being stated in this Circular and have not withdrawn their consents prior to publication of this Circular.

#### 14. **DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors, whose names and details are provided on page 14 of this Circular, collectively and individually, accept full responsibility for the accuracy of the information given and certify that to the best of their knowledge and belief there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this Circular contains all information required by law and the JSE Listings Requirements.

#### 15. **NOTICE OF GENERAL MEETING**

15.1 The General Meeting of Shareholders will be held at 10:00 on Thursday, 14 January 2021 to consider, and if deemed fit, to pass, with or without modification, the Proposed Resolutions.

15.2 Shareholders are referred to the Notice of General Meeting (attached to and forming part of this Circular) for details on the Proposed Resolutions to be proposed at the General Meeting and to page 24 of this Circular stipulating the action required by Shareholders and for information on the procedure to be followed by Shareholders in order to exercise their votes at the General Meeting.

15.3 All of the Proposed Resolutions proposed are inter-conditional.

#### 16. **ACTION TO BE TAKEN BY SHAREHOLDERS**

Please refer to page 3 of this Circular, which sets forth in detail the actions required to be taken by Shareholders in connection with the General Meeting.

#### 17. **DOCUMENTS AVAILABLE FOR INSPECTION**

The following documents, or copies thereof, will be available for inspection at Transaction Capital's registered office at 342 Jan Smuts Avenue, Hyde Park, Johannesburg, 2196, South Africa during normal business hours (09:00 to 17:00) from Tuesday, 15 December 2020 up to and including Thursday, 14 January 2021 and can be viewed on Transaction Capital's website (<https://www.transactioncapital.co.za>):

17.1 this Circular;

17.2 the RBH Subscription Agreement;

17.3 the existing memorandum of incorporation of Transaction Capital and its subsidiaries;

17.4 the audited annual financial information of Transaction Capital for the three years ended 30 September 2020, 30 September 2019 and 30 September 2018;

17.5 each of the consent letters referred to in paragraph 13 above.

By order of the Transaction Capital Board

**Sharon Nayger**  
*Company Secretary*  
15 December 2020

**Registered Office**  
342 Jan Smuts Avenue  
Hyde Park, Johannesburg,  
2196



## SHARE PRICE HISTORY

### Monthly

The highest and lowest and closing prices of the Ordinary Shares on the JSE for each month from November 2019 to November 2020 and the aggregate monthly volumes and values are as follows:

Month	High Price (cps)	Low Price (cps)	Close (cps)	Turnover/Traded Value (R)	Volume
November 2019	2239	2133	2190	40 771 094 600	18 576 339
December 2019	2253	2110	2110	20 832 267 200	9 566 073
January 2020	2447	2063	2447	38 187 567 200	16 367 582
February 2020	2650	1842	1842	261 625 470 200	113 501 871
March 2020	2049	950	1225	132 598 927 100	90 623 955
April 2020	1656	1205	1509	32 694 164 400	22 327 763
May 2020	1711	1446	1711	33 326 367 800	20 925 194
June 2020	2139	1740	1860	95 227 737 000	50 205 328
July 2020	1980	1785	1834	45,087,408,700	21 913 236
August 2020	1853	1702	1796	29 133 268 600	15 995 340
September 2020	2200	1800	2167	32 357 058 900	15 875 016
October 2020	2288	1976	1976	39 507 879 700	18 155 740
November 2020	2399	1930	2372	30 106 173 000	13 623 742

### Daily

The highest, lowest and closing prices of the Ordinary Shares on the JSE for each Business Day from 26 October 2020 to 08 December 2020 (being the Last Practicable Date) and the daily volumes and values are as follows:

Month	High Price (cps)	Low Price (cps)	Close (cps)	Turnover/Traded Value (R)	Volume
26 October 2020	2325	2101	2245	942 378 500	420 965
27 October 2020	2260	2114	2159	1 101 324 000	505 567
28 October 2020	2159	2057	2078	946 590 300	447 481
29 October 2020	2199	2050	2050	1 833 239 000	880 821
30 October 2020	2047	1960	1976	1 283 133 000	645 687
02 November 2020	2010	1913	1950	650 278 000	331 293
03 November 2020	2100	1901	1930	682 802 600	346 898
04 November 2020	2008	1914	1975	660 160 800	336 222
05 November 2020	2063	1964	1964	681 988 100	342 148
06 November 2020	2120	1950	1974	1 400 002 000	707 267
09 November 2020	2134	1939	2098	2 194 843 000	1 072 495
10 November 2020	2181	2055	2181	698 955 000	327 814
11 November 2020	2295	2158	2202	1 251 383 000	558 795
12 November 2020	2256	2086	2105	986 664 000	459 461
13 November 2020	2199	2064	2125	725 514 800	343 201
16 November 2020	2199	2127	2154	536 556 300	247 597
17 November 2020	2192	2104	2119	863 105 400	401 927
18 November 2020	2194	2142	2170	1 272 345 000	585 918
19 November 2020	2206	2152	2174	838 067 800	385 756
20 November 2020	2203	2122	2180	2 197 467 000	1 006 694
23 November 2020	2229	2163	2229	972 489 200	440 586
24 November 2020	2371	2190	2350	3 465 086 000	1 492 829



<b>Month</b>	<b>High Price (cps)</b>	<b>Low Price (cps)</b>	<b>Close (cps)</b>	<b>Turnover/Traded Value (R)</b>	<b>Volume</b>
25 November 2020	2396	2279	2366	4 475 612 000	1 899 296
26 November 2020	2400	2160	2399	3 302 163 000	1 395 964
27 November 2020	2413	2339	2372	2 250 690 000	941 581
30 November 2020	2411	2333	2411	5 750 469 000	2 401 675
01 December 2020	2413	2319	2320	5 551 179 000	2 370 230
02 December 2020	2445	2301	2411	4 182 360 000	1 746 452
03 December 2020	2575	2415	2570	4 454 765 000	1 768 478
04 December 2020	2580	2450	2535	12 416 150 000	4 909 208
07 December 2020	2579	2453	2486	3 404 939 000	1 359 268
08 December 2020	2515	2409	2449	2 678 337 000	1 086 787



# Transaction Capital

## 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")

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## NOTICE OF GENERAL MEETING OF SHAREHOLDERS

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*The definitions and interpretations commencing on page 9 of the Circular to which this Notice of General Meeting is attached apply, mutatis mutandis, throughout this Notice of General Meeting (unless the context indicates otherwise).*

Notice is hereby given to Shareholders that a general meeting ("**General Meeting**") of the Shareholders will be held on Thursday, 14 January 2021 at 10:00 (South African Standard Time), which meeting will be conducted entirely by electronic communication as contemplated by section 63(2)(a) of the Companies Act and clause 19.7 of the MOI.

### Purpose

The purpose of the General Meeting is to consider and, if deemed fit, pass, with or without modification, the resolutions set out hereunder in the manner required by the Companies Act and the JSE Listings Requirements on which the Ordinary Shares are listed.

### Notes

- The General Meeting will be conducted entirely by electronic communication (including voting) as contemplated by section 63(2)(a) of the Companies Act and clause 19.7 of the MOI. Shareholders wishing to participate electronically in the General Meeting are required to follow the prescribed procedures set forth in the Circular and at the end of this Notice of General Meeting, in each case under the title: "*Electronic Participation*".
- In terms of section 63(1) of the Companies Act, before any person may attend or participate in the General Meeting, that person must present reasonably satisfactory identification and the person presiding at the General Meeting must be reasonably satisfied that the right of that person to participate and vote at the General Meeting, either as a Shareholder, or as a proxy or representative for a Shareholder, has been reasonably verified. Acceptable forms of identification include a valid green-bar coded or smart card identification document issued by the South African Department of Home Affairs, South African driver's licence or a valid passport.
- A Shareholder or its representative or proxy, as the case may be, must electronically deliver the necessary proof of their identification to the Transfer Secretaries to be received by the Transfer Secretaries by no later than 10:00 on Tuesday, 12 January 2021, before such person will be entitled to participate in the General Meeting. Failure to do so may mean that the participant is unable to participate in the General Meeting either at all, or promptly. The Company and the Transfer Secretaries shall not be liable for any failure by any Shareholder or its representative or proxy, as the case may be, to timeously deliver the requisite identification as aforesaid.
- Shareholders who are entitled to attend, participate in and vote at the General Meeting are reminded that they are entitled to appoint a proxy to attend, participate in and vote at the General Meeting in place of such Shareholder, provided that in doing so such Shareholder completes the attached Form of Proxy (*blue*) and follows the prescribed procedures set forth at the end of this Notice of General Meeting under the title: "*Voting and Proxies*". A proxy need not also be a shareholder of the Company.
- As the meeting will cater for Electronic Participation only, it will not be desirable nor practical for voting to take place by way of show of hands. Accordingly, the chairperson has already determined that all voting will be by way of poll through the facility provided by the electronic online facilities. See prescribed procedures set forth in the Circular under the title: "*Electronic Participation at the General Meeting*".
- See the "*Action Required by Shareholders*" section of the Circular for further information.

### Record Dates

In terms of section 59(1)(a) and (b) of the Companies Act (and the JSE Listings Requirements), the following are the record dates for the purposes of determining which Shareholders are entitled to –

- receive this Notice of General Meeting (being the date on which a Shareholder must be registered in the Register in order to receive this Notice of General Meeting), which date is Friday, 04 December 2020; and
- participate in and vote at the General Meeting (being the date on which a Shareholder must be registered in the Register in order to participate in and vote at the General Meeting), which date is Friday, 08 January 2021.

Therefore the Last Day to Trade in order to be able to participate in and vote at the General Meeting is Tuesday, 05 January 2021.

## **RESOLUTIONS FOR CONSIDERATION AND ADOPTION**

### **Ordinary Resolution Number 1 – Specific Issue**

*“Resolved as an ordinary resolution that, in terms of paragraph 5.51(g) of the JSE Listings Requirements, the Directors be and are hereby authorised to issue 12 400 000 (twelve million four hundred thousand) Ordinary Shares (ranking pari passu with the existing issued Ordinary Shares) to RBH SPV in terms of the RBH Subscription Agreement at an issue price of ZAR20.00 (twenty Rand) per Ordinary Share for an aggregate consideration of ZAR248 000 000 (two hundred and forty eight million Rand), which the Board has determined to be adequate consideration, and that all of the aforesaid Ordinary Shares be and are hereby placed under the control of the Board for the specific issue as described herein.”*

#### **Explanation and Effect of Ordinary Resolution Number 1**

In order for Ordinary Resolution Number 1 to be passed, in terms of paragraph 5.51(g) of the JSE Listings Requirements, the support of at least 75% (seventy five percent) of all of the voting rights exercised on the resolution by the Shareholders (eligible to vote) present or represented by proxy at the General Meeting, is required.

The reason for Ordinary Resolution Number 1 is to give the Board the specific authority to issue 12 400 000 (twelve million four hundred thousand) authorised but unissued Ordinary Shares in the capital of the Company for cash pursuant to the RBH Subscription Agreement.

The effect of adopting this Ordinary Resolution Number 1 is that the Board will be authorised to issue 12 400 000 (twelve million four hundred thousand) authorised but unissued Ordinary Shares in the capital of the Company for cash to RBH SPV pursuant to the RBH Subscription Agreement.

### **Ordinary Resolution Number 2 – General Authorisation**

*“Resolved as an ordinary resolution that, any director of the Company or the company secretary, all with the power of substitution, be and is hereby authorised to carry out and to do all such things and matters as may be or are necessary in connection with all resolutions set out in this notice and/or approved at the General Meeting, and which may be required to give effect to such resolutions including, without limitation, being authorised to make, amend and sign all and any such necessary documents, letters, applications, announcements and affidavits as may be required for purposes of and in connection with the resolutions and giving effect to them, and including Companies and Intellectual Property Commission forms that may be required.”*

#### **Explanation and Effect of Ordinary Resolution Number 2**

The percentage of voting rights required for Ordinary Resolution Number 2 to be adopted is more than 50% (fifty percent) of the voting rights exercised in favour of the resolution by Shareholders at the General Meeting or represented by proxy, and entitled to exercise voting rights on Ordinary Resolution Number 2.

The reason for Ordinary Resolution Number 2 is to authorise any director or the company secretary to carry out, execute all documents and do all such things as he/she may in his/her discretion consider necessary or appropriate in connection with and to implement and give effect to the ordinary and special resolutions set out in herein.

The effect of adopting Ordinary Resolution Number 2 is that any director or the company secretary will be authorised to take all such actions necessary, and sign all documents required, to give effect to the resolutions herein.

## **QUORUM**

The General Meeting may not begin until sufficient persons are present (or represented by proxy) at the General Meeting to exercise, in aggregate, at least 25% (twenty five) of all the voting rights that are entitled to be exercised in respect of at least 1 (one) matter to be decided at the General Meeting. A matter to be decided at the General Meeting may not begin to be considered unless sufficient persons are present at the meeting (or represented by proxy) to exercise, in aggregate, at least 25% (twenty five percent) of all of the voting rights that are entitled to be exercised on that matter at the time the matter is called on the agenda. In addition, a quorum shall consist of at least 3 (three) Shareholders present at a meeting (as contemplated in the Companies Act) or represented by proxy (and if the Shareholder is a body corporate, it must be represented) and entitled to vote at the General Meeting on matters to be decided by Shareholders.

## VOTING AND PROXIES

In terms of clause 19.29 of the MOI, voting at the General Meeting is by way of a show of hands, unless certain categories of people demand a poll, one of whom is the chairman. As it will not be possible for votes to be taken by a show of hands, the chairman will demand a poll on all the Proposed Resolutions at the start of the General Meeting.

On a poll, every Shareholder, present in person or by proxy, shall have one vote for every Ordinary Share held or represented.

Shareholders who have not Dematerialised their Ordinary Shares or who have Dematerialised their Ordinary Shares with “own name” registration, and who are entitled to attend, participate in and vote at the General Meeting, are entitled to appoint a proxy to attend, speak and vote in their stead. A proxy need not be a Shareholder and shall be entitled to vote on a poll. In light of the COVID-19 pandemic, it is requested that Forms of Proxy (*blue*) and supporting identification documents be delivered so as to reach the Transfer Secretaries by no later than 48 (forty eight) hours before the General Meeting that is to be held at 10:00 on Thursday, 14 January 2021, i.e. by 10:00 on Tuesday, 12 January 2021, so as to assist the Company to timeously verify the identity of Shareholders and their proxies who wish to participate by electronic communication at the General Meeting.

If Shareholders who have not Dematerialised their Ordinary Shares or who have Dematerialised their Ordinary Shares with “own name” registration, and who are entitled to participate in and vote at the General Meeting do not deliver Forms of Proxy (*blue*) to the Transfer Secretaries, they will nevertheless be entitled to lodge the Form of Proxy (*blue*) in respect of the General Meeting immediately prior to the commencement of the General Meeting, in accordance with the instructions therein, by emailing those Forms of Proxy (*blue*) to the Transfer Secretaries.

Shareholders who have Dematerialised their Shares, other than those Shareholders who have Dematerialised their Shares with “own-name” registration, should contact their CSDP or Broker in the manner and within the time stipulated in the agreement entered into between them and their CSDP or Broker:

- to furnish them with their voting instructions; or
- in the event that they wish to participate in the General Meeting, to obtain the necessary letter of representation to do so.

In light of the COVID-19 pandemic, it is requested that the necessary letter of representation (and supporting identification documents and, if applicable, forms of proxy) of Dematerialised Shareholders without “own name” registration be delivered so as to reach the Transfer Secretaries in South Africa by no later than 10:00 on Tuesday, 12 January 2021, so as to assist the Company to timeously verify the identity of such Shareholders and their proxies who wish to participate by electronic communication at the General Meeting.

Dematerialised Shareholders without “own-name” registration are strongly urged to ensure the timeous receipt by the Transfer Secretaries of the above documents, as well as the necessary identification documents as, due to the exigencies of the necessary verification exercise that must be completed to ensure that all attendees are lawful participants, it may not be possible to promptly verify a Dematerialised Shareholder without “own-name” registration once the General Meeting has commenced.

**The Company does not accept responsibility and will not be held liable, under any applicable law or regulation, for any action of, or omission by, the CSDP or Broker of a Dematerialised Shareholder, including, without limitation, any failure on the part of the CSDP or Broker of any beneficial owner to notify such beneficial owner of the General Meeting or of the matters set forth in this Circular.**

By order of the Transaction Capital Board

**Sharon Nayger**  
*Company Secretary*

15 December 2020

**Registered Office**  
342 Jan Smuts Avenue  
Hyde Park  
Johannesburg  
2196



# Transaction Capital

## 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")

### FORM OF PROXY

The definitions and interpretations commencing on page 9 of this Circular to which this Form of Proxy is attached apply, mutatis mutandis, to this Form of Proxy (unless the context indicates otherwise).

For use by Certificated Shareholders and Dematerialised Shareholders with "own name" registration only, at the General Meeting to be held at on Thursday, 14 January 2021, commencing at 10:00 (South African Standard Time), or at any postponement or adjournment thereof.

Dematerialised Shareholders without "own-name" registration must not complete this Form of Proxy but should timeously inform their nominee, or, if applicable, their CSDP or stockbroker of their intention to attend the General Meeting electronically and request such nominee, CSDP or stockbroker to issue them with the necessary letter of representation to attend or provide such nominee, CSDP or stockbroker with their voting instructions should they not wish to attend the General Meeting electronically but wish to be represented by proxy at such meeting. Such Shareholders must not return this Form of Proxy to the Transfer Secretaries.

Due to the COVID-19 (Coronavirus) pandemic and the resultant lockdown restrictions on travel and the holding of public gatherings, the General Meeting will only be accessible through electronic participation, as permitted by the relevant provisions of the Companies Act and MOI. Shareholders are required to submit completed proxy forms as provided for in the Notice of General Meeting in order for their votes to be counted. Shareholders are encouraged to submit their votes by proxy in advance of the General Meeting to reduce unnecessary complexity and complications.

Each Shareholder is entitled to appoint a proxy (who need not be a member of the Company) to attend, speak and vote in place of that Shareholder at the General Meeting. Please read the notes to this form of proxy below.

I/We \_\_\_\_\_ (names in BLOCK LETTERS)

of \_\_\_\_\_ (address in BLOCK LETTERS)

Telephone number: ( ) Cell phone number: ( )

Email address: \_\_\_\_\_

being a shareholder(s) of Transaction Capital, and entitled to vote

do hereby appoint \_\_\_\_\_ of \_\_\_\_\_

or failing him/her \_\_\_\_\_ of \_\_\_\_\_

or failing him/her the Chairperson of the General Meeting, as my/our proxy to represent me/us at the General Meeting, for the purposes of considering and, if deemed fit, passing, with or without modification, the Proposed Resolutions to be proposed thereat and at each adjournment or postponement thereof, and to vote for and/or against the Proposed Resolutions and/or abstain from voting in respect of the Ordinary Shares in the issued share capital of Transaction Capital registered in my/our name (see note 2 overleaf) as follows:

	Number of voting rights (insert):		
	For	Against	Abstain
<b>ORDINARY RESOLUTIONS</b>			
<b>Ordinary Resolution Number 1:</b> Specific authority to issue shares for cash			
<b>Ordinary Resolution Number 2:</b> General Authorisation			

Please indicate with an "X" in the appropriate spaces provided above how you wish your vote to be cast. If no indication is given, the proxy may vote or abstain as he/she sees fit. However, if you wish to cast your votes in respect of a lesser number of ordinary shares than you own in the Company, insert the number of ordinary shares held in respect of which you desire to vote (see note 5).

Please read the notes on the reverse side hereof.

Signed at \_\_\_\_\_ on \_\_\_\_\_ 2020/2021

Full name \_\_\_\_\_ (in BLOCK LETTERS)

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

Assisted by (guardian) \_\_\_\_\_

Date \_\_\_\_\_

If signing in a representative capacity, see note below.

Completed Forms of Proxy must be dated and signed by the Shareholder appointing a proxy and must be lodged electronically with Computershare Investor Services Proprietary Limited. Shareholders are urged to electronically deliver their completed Form of Proxy by:

1. email to [proxy@computershare.co.za](mailto:proxy@computershare.co.za); or
2. hand to Computershare Investor Services Proprietary Limited, 1st Floor, Rosebank Towers, 15 Biermann Avenue, Rosebank, Johannesburg 2196, South Africa; or
3. post to Computershare Investor Services Proprietary Limited, Private Bag X9000, Saxonwold, 2132,

by no later than 48 (forty eight) hours before the General Meeting that is to be held at 10:00 on Thursday, 14 January 2021, i.e. by 10:00 on Tuesday, 12 January 2021.

**Please read the notes and instructions on the reverse side.**

## Note to Form of Proxy

1. Shareholders are advised that Transaction Capital has appointed Computershare Investor Services Proprietary Limited as its proxy solicitation agent.
2. Proxy appointment must be in writing, dated and signed by the Shareholder.
3. It is requested that Forms of Proxy (and supporting identification documents) be delivered or mailed Computershare Investor Services Proprietary Limited:

### Hand deliveries to:

Computershare Investor Services Proprietary Limited, 1st Floor, Rosebank Towers, 15 Biermann Avenue, Rosebank, Johannesburg 2196, South Africa

### Postal deliveries to:

Computershare Investor Services Proprietary Limited, Private Bag X9000, Saxonwold, 2132

### Email:

[proxy@computershare.co.za](mailto:proxy@computershare.co.za)

so as to reach Computershare Investor Services Proprietary Limited by no later than 48 (forty eight) hours before the General Meeting that is to be held at 10:00 on Thursday, 14 January 2021, i.e. by 10:00 on Tuesday, 12 January 2021, so as to assist Transaction Capital to timeously verify the identity of the Shareholders and their proxies who wish to participate by electronic communication at the General Meeting. The Form of Proxy may be lodged in respect of the General Meeting immediately prior to the due commencement of the General Meeting, in accordance with the instructions therein, by emailing those Forms of Proxy to Computershare Investor Services Proprietary Limited at [proxy@computershare.co.za](mailto:proxy@computershare.co.za). However please bear in mind that the reason why Shareholders are asked to send in their proxy forms before the General Meeting is because Transaction Capital has over 1000 (one thousand) shareholders and the scrutineers must consider each proxy to determine whether it is validly given and whether the voting rights have been correctly inserted. Significant delays could be caused at the General Meeting, if these checks have to be carried out by the scrutineers while the General Meeting is in progress.

4. A Shareholder may insert the name of a proxy or the names of 2 (two) alternative proxies of the Shareholder's choice in the space provided, with or without deleting "the chairman of the meeting". Any such deletion must be initialled by the Shareholder.
5. A Shareholder's instruction to the proxy must be indicated by the insertion of the relevant percentage of voting rights exercisable by that Shareholder in the appropriate space provided. Failure to comply with the above will be deemed to authorise the proxy to vote or abstain from voting at the meeting, as he deems fit, in respect of all the holder's voting rights exercisable thereat, but where the proxy is the chairman, failure to comply will be deemed to authorise the proxy to vote in favour of the resolution.
6. A Shareholder or his proxy is not obliged to use all the voting rights exercisable by the Shareholder or by his proxy, but the total of the voting rights cast and in respect whereof abstention is recorded may not exceed the total of the voting rights exercisable by the Shareholder or by his proxy.
7. A Shareholder's authorisation to the proxy, including the chairman of the meeting, to vote on his or her behalf, shall be deemed to include the authority to vote on procedural matters at the General Meeting.
8. The completion and electronic delivery of this Form of Proxy will not preclude the relevant Shareholder from attending the General Meeting and speaking and voting personally thereat and the exclusion of any proxy appointed in terms hereof should such Shareholder wish to do so.

9. Documentary evidence establishing the authority of a person signing this Form of Proxy in a representative capacity must be attached to this form. Without limiting the generality hereof, Transaction Capital will accept a valid identity document, a valid driver's licence or a valid passport as satisfactory identification.
10. Any alteration to this form must be initialled by the signatory(ies).
11. A Shareholder may revoke the proxy appointment by: (i) cancelling it in writing, or making a later inconsistent appointment of a proxy; and (ii) electronically delivering a copy of the revocation instrument to the proxy/ies and to Transaction Capital at 342 Jan Smuts Avenue, Hyde Park, to be received before the replacement proxy exercises any rights of the holder at the General Meeting of Transaction Capital to be held entirely by electronic communication on Thursday, 14 January 2021 or any adjournment(s) thereof.
12. The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's/proxies' authority to act on behalf of the Shareholder as of the later of: (i) the date stated in the revocation instrument, if any; or (ii) the date on which the revocation instrument was delivered as required in paragraph 11 (ii).

### To be electronically delivered to:

#### Computershare Investor Services Proprietary Limited

[proxy@computershare.co.za](mailto:proxy@computershare.co.za)

#### Shareholder information helpline

We have reserved the Transaction Capital Investor Relations Team for assistance with General Enquiries

#### Investor Relations

[phillipew@transactioncapital.co.za](mailto:phillipew@transactioncapital.co.za)

+27 11 049 6729

+27 84 512 5393

#### For assistance with General Meeting queries and forms of proxy:

Telephone: +27(0)11 373 0033

Telefax: +27(0)11 688 5238

Email: [proxy@computershare.co.za](mailto:proxy@computershare.co.za)