



**NOTICE OF ANNUAL GENERAL MEETING
AND SUMMARISED CONSOLIDATED
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 30 SEPTEMBER

2021

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OUR REPORTS

					
This notice	Integrated report	Governance report	Risk report	Sustainability report	Annual financial statements

FRAMEWORKS APPLIED

International <IR> Framework		✓				
Companies Act, 71 of 2008, as amended (Companies Act)	✓	✓	✓			✓
JSE Limited Listings Requirements	✓	✓	✓	✓		✓
King IV Report on Corporate Governance™ for South Africa, 2016 (King IV)	✓	✓	✓	✓	✓	✓
International Financial Reporting Standards (IFRS)	✓	✓				✓
United Nations Sustainable Development Goals (SDGs)		✓			✓	
Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)		✓			✓	

LETTER TO SHAREHOLDERS

Dear Shareholder

On behalf of the board, you are invited to participate in the annual general meeting (AGM) of Transaction Capital Limited, which will be held and conducted entirely by electronic communication on Thursday, 10 March 2022, at 09:00. The detailed notice of AGM and supporting documentation are attached. The notice is accompanied, where necessary, by explanatory notes setting out the reasons and effects of the proposed ordinary and special resolutions in the notice. This will assist you in your deliberations regarding voting at the AGM.

Included with this notice are the summarised consolidated financial statements of Transaction Capital Limited for the financial year ended 30 September 2021. The summarised consolidated financial statements comprise a summary of the audited annual financial statements of the group for the year ended 30 September 2021. The annual financial statements of the group have been audited by Deloitte & Touche in compliance with the applicable requirements of the Companies Act of South Africa, No. 71 of 2008, as amended, and an unmodified audit opinion has been expressed thereon.

Transaction Capital Limited's integrated report and audited annual financial statements are available on the company's website at www.transactioncapital.co.za. Printed copies may be obtained from the registered office of the company.

If you are not able to participate in the AGM, you can appoint a proxy to participate in the AGM on your behalf in accordance with the instructions on the AGM notice and form of proxy.

Yours sincerely

LISA LILL

Company secretary

18 January 2022



“Included with this notice are the summarised consolidated financial statements of Transaction Capital Limited for the financial year ended 30 September 2021.”

NOTICE OF ANNUAL GENERAL MEETING

THIS NOTICE IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

ACTION REQUIRED

If you are in any doubt as to what action you should take arising from this notice, please consult with your broker, central securities depository participant (CSDP) representative/agent/manager, banker, accountant, attorney or other professional advisor immediately.

If you have disposed of all of your shares in Transaction Capital, please forward this notice to the purchaser of such shares or to the broker, CSDP representative/agent/manager, banker, accountant, attorney or other agent through whom the disposal of your Transaction Capital shares was effected.

Transaction Capital does not accept any responsibility and will not be held liable for any failure on the part of the broker or CSDP representative of any holder of dematerialised Transaction Capital shares to notify such shareholder of this notice and the AGM.



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

NOTICE TO SHAREHOLDERS OF ANNUAL GENERAL MEETING

FOR THE YEAR ENDED 30 SEPTEMBER 2021 AND CONVENED IN TERMS OF SECTION 61(7) OF THE COMPANIES ACT OF SOUTH AFRICA, NO. 71 OF 2008, AS AMENDED (THE 'COMPANIES ACT')

Notice is hereby given to shareholders that the AGM of shareholders will be held on Thursday, 10 March 2022, at 09:00 (South African Standard Time), or any other adjourned or postponed date and time determined in accordance with the provisions of sections 64(4) or 64(11)(a)(i) of the Companies Act, as read with the JSE Limited ('JSE') Listings Requirements (the 'JSE Listings Requirements') for the purposes of transacting the business set out below and considering (and, if deemed fit, passing, with or without modification) the ordinary and special resolutions contained in this notice in the manner required by the Companies Act and subject to the JSE Listings Requirements.

Record date to receive notice of the AGM	Friday, 7 January 2022
Posting date of notice of the AGM	Tuesday, 18 January 2022
Last date to trade to be eligible to attend, participate in and vote at the AGM	Tuesday, 1 March 2022
Record date to be eligible to attend, participate and vote at the AGM	Friday, 4 March 2022
Forms of proxy to be lodged, preferably by 09:00, on	Tuesday, 8 March 2022
AGM to be held at 09:00 on	Thursday, 10 March 2022
Results of the AGM released on SENS on	Thursday, 10 March 2022

This document is important and requires your immediate attention.

Shareholders' attention is drawn to the notes at the end of this notice, which contain important information regarding shareholders' participation at the AGM.

Copies of this notice of annual general meeting are available in English only and may be obtained from the date of issue of this notice of annual general meeting until the date of the AGM, both days inclusive, during normal business hours, from the registered office of the company and the offices of the transfer secretaries, the addresses of which are set out in the "Administration" section on the inside back cover.

The AGM will be conducted entirely via an interactive electronic platform, in accordance with section 63(2)(a) of the Companies Act and clause 19.7 of the company's memorandum of incorporation ('MOI') and in compliance with, inter alia, the quorum requirements contained in the MOI and the Companies Act. The first AGM conducted entirely via an interactive electronic platform was held in 2020 due to the COVID-19 pandemic and associated restrictions imposed by the South African government on travel, the holding of public gatherings and the implementation of social distancing measures. While some of these restrictions have subsequently eased, the decision was taken by the board of directors ('the board') that it remains appropriate to again hold the AGM entirely by electronic communication in accordance with the aforementioned provisions.

For more information about the electronic platform and how it can be accessed, please see the section titled "Electronic participation at the annual general meeting" starting on page 3.

DEMATERIALIZED SHAREHOLDERS WITHOUT "OWN-NAME" REGISTRATION

If you have dematerialised your ordinary shares without "own-name" registration, then the following actions are relevant to you with regard to the AGM.

If you do not wish to or are unable to participate in the AGM, but wish to vote thereat, you should:

- ▶ 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
- ▶ Contact your CSDP or broker regarding the cut-off time for submitting your voting instructions to them.

If your CSDP or broker does not obtain voting instructions from you, they will be obliged to vote in accordance with the instructions contained in the custody agreement concluded between you and your CSDP or broker.

Please DO NOT complete the attached form of proxy if you have dematerialised shares without "own-name" registration.

You are strongly urged to ensure the timeous receipt by the transfer secretaries of the documents referred to in this notice, 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 AGM has commenced.

CERTIFICATED SHAREHOLDERS AND DEMATERIALIZED SHAREHOLDERS WITH "OWN-NAME" REGISTRATION

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 AGM.

You may participate in the AGM as outlined in the paragraphs below.

If you do not wish to or are unable to attend the AGM but wish to be represented thereat, you should complete the form of proxy and return same, together with proof of identification (i.e. South African identity document, driver's licence or passport) and authority to do so (where acting in a representative capacity), to the transfer secretary, as follows:

- ▶ By email: proxy@computershare.co.za;
- ▶ By hand: Rosebank Towers, 15 Biermann Avenue, Rosebank; or
- ▶ By post: Private Bag X9000, Saxonwold, 2132.

These should be received by the transfer secretary by no later than 09:00 on Tuesday, 8 March 2022, provided that any form of proxy not delivered to the transfer secretary by this time and date may be emailed to the transfer secretary (who will provide same to the chairman of the AGM) at any time prior to the AGM, with the understanding that such form of proxy and identification must be verified and registered before the commencement of the AGM.

You are encouraged to appoint a proxy if you do not intend to participate in the AGM yourself.

ELECTRONIC PARTICIPATION AT THE ANNUAL GENERAL MEETING

The AGM will be conducted entirely through electronic communication.

The interactive electronic platform will permit all shareholders to communicate concurrently with each other without an intermediary, and to effectively participate in the meeting. Voting via the electronic platform will be the only method available to holders of ordinary shares to vote at the AGM. The electronic platform selected for the purposes of the AGM is Lumi AGM, which may be accessed by using a smartphone, tablet device or computer.

REGISTRATION

Should you wish to participate in the AGM you will be required to pre-register your personal details by taking the following actions:

- ▶ Register online at www.smartagm.co.za by no later than 09:00 on Tuesday, 8 March 2022. While registration after this date and time to participate in and/or vote electronically at the AGM is permitted, you must be verified and registered before the commencement of the AGM; and
- ▶ Upload proof of identification (e.g. identity document, driver's licence or passport), and provide the following details: your name, surname, email address and contact number.

If you have dematerialised your ordinary shares without "own-name" registration then you must 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, in addition to the actions listed above.

NOTICE OF ANNUAL GENERAL MEETING *continued***PARTICIPATION**

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

ACCESS AND NAVIGATION

Visit <https://web.lumiagm.com> by entering this address into your web browser. You will need the latest versions of Chrome, Safari, Edge or Firefox, or Internet Explorer 11. Please ensure your browser is compatible. Smartphone or tablet device users can also participate via this link.

Once you have entered <https://web.lumiagm.com> into your web browser, you will be prompted to enter the meeting ID, which will be emailed to you (or your representative or proxy) following completion of the registration process outlined above.


Once you have successfully entered the meeting ID, you will be required to enter your username and password, both of which will be emailed to you following completion of the registration process outlined above.

When you are successfully authenticated, the information screen will be displayed where you can view company information, ask questions and start the webcast. If you would like to watch the webcast, press the broadcast icon at the bottom of the screen. If viewing on a computer, the webcast will appear at the side automatically once the meeting has started.

VOTING

Shareholders will be able to participate and vote on the electronic platform described above during the AGM. Equity securities held by a share trust or scheme, and unlisted securities, will not have their votes taken into account at the AGM for the purposes of resolutions proposed in terms of the JSE Listings Requirements.

In terms of clause 19.29 of the MOI, voting at the AGM 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 AGM.

The chairman will open voting on the proposed resolutions. Once 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.

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 will be depicted as follows: 'For – Vote received' or 'Against – Vote received'.

To change the vote, simply select another direction. If you wish to cancel the vote, press "Cancel".

Once the chairman has opened voting, voting can be performed at any time during the AGM until the chairman closes the voting on the proposed resolutions. At that point your last choice will be submitted.

You will still be able to send messages and view the webcast while the poll is open. Shareholders who are participating via the electronic platform or by proxy at the AGM will have one (1) vote for every ordinary share held or represented.

Although voting will be permitted by way of electronic communication, you are strongly encouraged to submit your votes by proxy before the AGM.

ASSISTANCE

If you experience any difficulty with (i) the registration process outlined above or (ii) logging into the AGM you should request an agent of the transfer secretaries to assist you with this difficulty by emailing the following email address: proxy@computershare.co.za.

ELECTRONIC NOTICE AND IDENTIFICATION

IMPORTANT NOTE: As required in terms of section 63(1) of the Companies Act, before any person may attend or participate in the AGM, 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.

To comply with this verification procedure, if you wish to participate electronically in the AGM you are strongly encouraged to email a written notice to the transfer secretary at proxy@computershare.co.za by no later than 09:00 on Tuesday, 8 March 2022 confirming that you wish to participate via electronic communication (the "electronic notice") at the AGM. The electronic notice must contain a valid email address for the person wishing to participate and must be accompanied by:

- ▶ If you are an individual, a copy of your original South African identity document and/or passport and/or South African driver's licence;
- ▶ 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 stipulate who from the relevant entity is authorised to represent it at the AGM via electronic communication; and
- ▶ In all cases, a valid email address and/or mobile telephone number (the "contact email address/number").

Providing the above information to the transfer secretary is necessary for you to obtain a username and unique nine-digit meeting identity code, without which it will not be possible to participate in the AGM. Sufficient time is needed for the transfer secretary to verify the participant and then assign the username and 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 AGM and view the proceedings as a guest but will not be able to ask questions, make comments or vote.

If you do not send an electronic notice recording your intention to participate in the AGM to the transfer secretaries by 09:00 on Tuesday, 8 March 2022, you may still participate via electronic communication at the AGM and may email the electronic notice to the transfer secretaries at any time prior to the commencement of the AGM. However, for the purpose of effective administration, you (and your proxies and representatives) are strongly urged to send the electronic notice by 09:00 on Tuesday, 8 March 2022.

The electronic platform available via Lumi AGM is available for the duration of the AGM 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, including network charges incurred while participating electronically. Any such charges will not be for the account of the JSE, Transaction Capital and/or the transfer secretaries.

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 prevent you from participating in and/or voting at the AGM.

The provisions of the above paragraphs, in particular the procedures and actions to be taken in order to participate electronically in the AGM, apply equally to your representative and/or proxy (if any).

The purpose of the AGM is for the following business to be transacted and for the ordinary and special resolutions set out below to be proposed:

A. AUDITED FINANCIAL STATEMENTS

To present the audited financial statements of the group and the company as envisaged in section 30 of the Companies Act, including the directors' report, external auditor's report and the audit committee report for the year ended 30 September 2021.

B. ORDINARY AND SPECIAL RESOLUTIONS

To consider and, if deemed fit, to pass, with or without modification, the following ordinary and special resolutions:

1. ORDINARY RESOLUTION NUMBER 1

RE-ELECTION OF DIRECTOR

RESOLVED THAT:

K Pillay, who retires in terms of the company's MOI, and who, being eligible, has offered himself for re-election, be re-elected in terms of section 68(2)(a) of the Companies Act.

2. ORDINARY RESOLUTION NUMBER 2

RE-ELECTION OF DIRECTOR

RESOLVED THAT:

S Wapnick, who retires in terms of the company's MOI, and who, being eligible, has offered herself for re-election, be re-elected in terms of section 68(2)(a) of the Companies Act.

3. ORDINARY RESOLUTION NUMBER 3

RE-ELECTION OF DIRECTOR

RESOLVED THAT:

S Kana, who retires in terms of the company's MOI, and who, being eligible, has offered himself for re-election, be re-elected in terms of section 68(2)(a) of the Companies Act.

4. ORDINARY RESOLUTION NUMBER 4

ELECTION OF DIRECTOR

RESOLVED THAT:

A Kekana, who was appointed to the board during the year, retires automatically at this meeting and who, being eligible, has offered herself for election, be elected in terms of section 68(2)(a) of the Companies Act.

NOTICE OF ANNUAL GENERAL MEETING *continued***EXPLANATION AND EFFECTS OF ORDINARY RESOLUTIONS NUMBERS 1 TO 4 – ELECTION AND RE-ELECTION OF DIRECTORS:**

In terms of clause 22.2 of the company's MOI, one-third of non-executive directors shall retire from office at each AGM. (If the number of non-executive directors is not a multiple of three, then the number nearest to, but not less than one-third, will retire.) The non-executive directors to retire at each AGM shall be those with the longest tenure in office since their last election. Where non-executive directors have equal tenure, the non-executive directors to retire shall, in the absence of agreement, be selected from among them by lot. This is provided that, if at the date of any AGM, any non-executive director who will have held office for a period of three years since her/his last election or appointment, she/he shall retire at such meeting either as one of the non-executive directors to retire in pursuance of clause 22.2 of the company's MOI or additionally thereto.

A retiring director shall act as a director throughout the AGM at which she/he retires. The length of time a director has been in office shall be calculated from the date of her/his last election. Retiring directors may be re-elected provided that they are eligible for re-election. If the place of any retiring director is not filled at any AGM, she/he shall, if willing, continue in office until the dissolution of the AGM in the next year from year to year until her/his place is filled, unless it is determined at such AGM not to fill such vacancy.

Each of the directors and the alternate directors shall be elected (which, in the case of a vacancy arising, shall take place at the next AGM) to serve as a director or alternate director for a specified term. In the case of a non-executive director, the term shall be three years. Life directorships and directorships for an indefinite period are not permissible.

Directors who were appointed subsequent to the last AGM retire at the following meeting. These directors have indicated their willingness to stand for election.

The directors have reviewed the composition of the board and recommend the re-election or election of each of the above-mentioned directors, which will enable the company, inter alia, to:

- ▶ Responsibly maintain a combination of business skills and experience relevant to the company and the group, and balance the requirements of transformation, continuity and succession planning; and
- ▶ Comply with corporate governance requirements, in respect of the balance of executive, non-executive and independent directors on the board.

A brief curriculum vitae for each of the company directors standing for re-election and election is included in Annexure A.

5. ORDINARY RESOLUTION NUMBER 5**APPOINTMENT OF MEMBERS OF AUDIT COMMITTEE**

Section 94(2) of the Companies Act

RESOLVED THAT:

D Radley, as an independent non-executive director of the company, who meets the required criteria for a member of the audit committee stipulated in the MOI of the company, be elected as a member and chairperson of the audit committee, until the next AGM of the shareholders of the company, subject to the provisions of the MOI of the company and the Companies Act.

6. ORDINARY RESOLUTION NUMBER 6**APPOINTMENT OF MEMBERS OF AUDIT COMMITTEE**

Section 94(2) of the Companies Act

RESOLVED THAT:

B Hanise, as an independent non-executive director of the company, who meets the required criteria for a member of the audit committee stipulated in the MOI of the company, be elected as a member of the audit committee, until the next AGM of the shareholders of the company, subject to the provisions of the MOI of the company and the Companies Act.

7. ORDINARY RESOLUTION NUMBER 7**APPOINTMENT OF MEMBERS OF AUDIT COMMITTEE**

Section 94(2) of the Companies Act

RESOLVED THAT:

I Kirk, as an independent non-executive director of the company, who meets the required criteria for a member of the audit committee stipulated in the MOI of the company, be elected as a member of the audit committee, until the next AGM of the shareholders of the company, subject to the provisions of the MOI of the company and the Companies Act.

8. ORDINARY RESOLUTION NUMBER 8**APPOINTMENT OF MEMBERS OF AUDIT COMMITTEE**

Section 94(2) of the Companies Act

RESOLVED THAT:

S Kana, as an independent non-executive director of the company, who meets the required criteria for a member of the audit committee stipulated in the MOI of the company, be elected as a member of the audit committee, until the next AGM of the shareholders of the company, subject to the provisions of the MOI of the company and the Companies Act (subject to being re-elected as a director in terms of the ordinary resolution 3 above).

EXPLANATION AND EFFECTS OF ORDINARY RESOLUTIONS NUMBERS 5 TO 8 – APPOINTMENT OF MEMBERS OF THE AUDIT COMMITTEE:

All public companies are required to have an audit committee comprising at least three persons who are independent non-executive directors and eligible in terms of section 94 of the Companies Act. In terms of section 94(2) of the Companies Act, an audit committee must be elected annually at the AGM of a public company. The section 94 requirements of the Companies Act are fulfilled by the audit committee.

9. ORDINARY RESOLUTION NUMBER 9

APPOINTMENT OF AUDITORS

Sections 90 and 94(7) of the Companies Act

RESOLVED THAT:

On recommendation of the audit committee, as envisaged in section 94(7)(a) of the Companies Act, Deloitte & Touche (with S Munro as the individual classified as the designated auditor) be reappointed as the independent external auditors of the company until the conclusion of the next AGM of the company, it being recorded that such appointment be in accordance with the provisions of clause 18 of the company's MOI.

EXPLANATION AND EFFECT OF ORDINARY RESOLUTION NUMBER 9 – APPOINTMENT OF AUDITORS:

In terms of section 90(1) of the Companies Act, a public company is to appoint an auditor each year at its AGM. The effect of this ordinary resolution will be to reappoint Deloitte & Touche as auditors for the company, with S Munro as the individual classified as the designated auditor, in accordance with the terms of the company's MOI.

10. ORDINARY RESOLUTION NUMBER 10

NON-BINDING ADVISORY VOTE ON REMUNERATION POLICY

RESOLVED THAT:

The company's remuneration policy be and is hereby endorsed by way of a non-binding advisory vote.

11. ORDINARY RESOLUTION NUMBER 11

NON-BINDING ADVISORY VOTE ON REMUNERATION IMPLEMENTATION REPORT

RESOLVED THAT:

The company's remuneration policy be and is hereby endorsed by way of a non-binding advisory vote.

EXPLANATION AND EFFECT OF ORDINARY RESOLUTION NUMBERS 10 AND 11 – NON-BINDING ADVISORY VOTE ON REMUNERATION POLICY AND REMUNERATION IMPLEMENTATION REPORT:

In accordance with the recommendations of the King IV Report on Corporate Governance™ for South Africa, 2016, as well as the JSE Listings Requirements, the board (with the assistance of the remuneration committee) has presented the remuneration policy and implementation report to shareholders in two separate non-binding advisory votes.

In the event that 25% or more of the votes cast are recorded against either the remuneration policy resolution or the remuneration implementation report resolution, or both, then pursuant to paragraph 3.84(k) and 3.91 of the JSE Listings Requirements, the company will extend an invitation to dissenting shareholders to engage with the company to discuss the reason for their dissenting votes.

12. ORDINARY RESOLUTION NUMBER 12

ISSUE OF SECURITIES FOR ACQUISITIONS IN CIRCUMSTANCES OTHER THAN THOSE COVERED BY SPECIAL RESOLUTION NUMBER 5

RESOLVED THAT:

The authorised but unissued ordinary shares in the capital of the company be and are hereby placed under the control and authority of the board until the conclusion of the next AGM, and that the board be and is hereby authorised and empowered to issue such unissued ordinary shares as consideration for acquisitions in any way they may deem fit, subject to:

- a) The MOI of the company, the Companies Act and the JSE Listings Requirements, where applicable;
- b) Such issue being an issue only for securities of a class already in issue or where this is not the case, such issue must be limited to such securities or rights that are convertible into securities of a class already in issue, subject to section 5.53 of the JSE Listings Requirements; and
- c) The board's authority in terms hereof is limited to a maximum of 36 055 520 ordinary shares, being approximately 5% of the ordinary shares in issue as at the date of issue of this notice.

EXPLANATION AND EFFECT OF ORDINARY RESOLUTION NUMBER 12 – ISSUE OF SECURITIES FOR ACQUISITIONS IN CIRCUMSTANCES OTHER THAN THOSE COVERED BY SPECIAL RESOLUTION NUMBER 5:

This ordinary resolution number 12 is to obtain annual general authority from shareholders authorising the directors to issue authorised (but unissued) ordinary securities for acquisitions in compliance with the MOI of the company, the Companies Act and the JSE Listings Requirements, where applicable. The proposed resolution to issue up to 36 055 520 ordinary shares represents approximately 5% of the issued share capital of the company at the date of this notice.

NOTICE OF ANNUAL GENERAL MEETING *continued***13. ORDINARY RESOLUTION NUMBER 13****AUTHORITY TO ACT****RESOLVED 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 AGM, 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 13 – AUTHORITY TO ACT:

Ordinary resolution number 13 grants authority to any director or the company secretary to carry out, execute all documents and do all such things as she/he may in her/his discretion consider necessary or appropriate in connection with and to implement and give effect to the ordinary and special resolutions set out in this notice and/or approved at the AGM.

14. SPECIAL RESOLUTION NUMBER 1**APPROVAL OF NON-EXECUTIVE DIRECTORS' AND COMMITTEE MEMBERS' FEES**

Sections 66(8) and 66(9) of the Companies Act

RESOLVED THAT:

The following annual fees shall be paid to non-executive directors of the company for their services as directors and as members of the audit committee and other board committees, which have been determined by the board through the remuneration committee on a market-related basis (with no additional meeting attendance fees):

	Proposed annual fees* 2021/2022 R	Existing annual fees 2020/2021 R
DIRECTORS		
Chairman (including membership of three committees)	1 828 750	1 750 000
Lead independent director	130 625	125 000
Other directors	428 450	410 000
Alternate director (75% of directors' fee)	321 338	307 500
AUDIT COMMITTEE**		
Chairperson	454 575	435 000
Member	182 875	175 000
RISK AND TECHNOLOGY COMMITTEE**		
Chairperson	303 050	–
Member	140 030	–
OTHER BOARD COMMITTEES**		
Chairperson	303 050	290 000
Member	140 030	134 000
NON-EXECUTIVE DIRECTORS OF SUBSIDIARIES		
Non-executive director of a group subsidiary company (in conjunction with being a non-executive director of Transaction Capital)	133 760	128 000

* The proposed fees are exclusive of VAT, which may become payable thereon depending on the status of the individual director's tax position.

** Fees for the audit committee, risk and technology committee and other board sub-committee members are in addition to board member fees. With effect from 1 September 2021, the board resolved to establish the risk and technology committee as a new board sub-committee. The sub-committee previously referred to as the audit, risk and compliance committee was renamed the audit committee with effect from the same date.

EXPLANATION AND EFFECT OF SPECIAL RESOLUTION NUMBER 1 – APPROVAL OF NON-EXECUTIVE DIRECTORS' AND COMMITTEE MEMBERS' FEES:

Section 66 of the Companies Act provides that, in order for directors to be remunerated for their services as directors, the remuneration must be in accordance with a special resolution approved by shareholders within the previous two years. The proposed non-executive directors' fees for 2022 have increased by 4.5% compared to the prior year.

15. SPECIAL RESOLUTION NUMBER 2

AUTHORITY TO PROVIDE FINANCIAL ASSISTANCE IN TERMS OF SECTION 44 OF THE COMPANIES ACT

Section 44 of the Companies Act

RESOLVED THAT:

The board may, subject to compliance with the requirements of the MOI and of the Companies Act (including but not limited to the board being satisfied that immediately after providing the financial assistance, the company would satisfy the solvency and liquidity test (as contemplated in section 4 of the Companies Act) and that the terms under which the financial assistance is proposed to be given are fair and reasonable to the company), authorise the company to provide financial assistance by way of a loan, guarantee, the provision of security or otherwise to:

- ▶ Any director or prescribed officer of Transaction Capital;
- ▶ Any director or prescribed officer of a related or interrelated company of Transaction Capital;
- ▶ A related or interrelated company of Transaction Capital;
- ▶ A member of a related or interrelated company of Transaction Capital;
- ▶ A person related to any such company, corporation, director, prescribed officer or member of Transaction Capital; and/or
- ▶ Any financier or bookrunner (and the like) of Transaction Capital or a related or interrelated company of Transaction Capital

for the purpose of, or in connection with, the subscription of any option, or any securities, issued or to be issued by the company or a related or interrelated company, or for the purchase of any securities of the company or a related or interrelated company.

EXPLANATION AND EFFECT OF SPECIAL RESOLUTION NUMBER 2 – AUTHORITY TO PROVIDE FINANCIAL ASSISTANCE IN TERMS OF SECTION 45 OF THE COMPANIES ACT:

In terms of the Companies Act, the passing of special resolution number 2 requires the approval of at least 75% (seventy-five percent) of the votes cast by shareholders participating at the AGM or represented by proxy, and who are entitled to exercise voting rights on special resolution number 2.

The reason for special resolution number 2 is to obtain approval from the shareholders to enable the company to provide financial assistance, when the need arises, to any of the persons referenced in the resolution, for the purpose of or in connection with the subscription of any option, or any securities issued or to be issued by the company or a related or interrelated company (as defined in section 2 of the Companies Act) or for the purchase of any securities of the company or a related or interrelated company in accordance with the provisions of section 44 of the Companies Act.

The effect of special resolution number 2 is that the company will have the necessary authority to provide financial assistance as contemplated in section 44 of the Companies Act when required but provided that the board will not approve a resolution to authorise such financial assistance unless the directors are satisfied that:

- ▶ Immediately after providing the financial assistance, the company would satisfy the solvency and liquidity test as contemplated in the Companies Act; and
- ▶ The terms under which the financial assistance is proposed to be given in terms of section 44 are fair and reasonable to the company.

The annual general authority from shareholders in special resolution number 2 will allow the company to give financial assistance to any of the persons referenced in the resolution as envisaged in section 44 of the Companies Act, which includes, without limitation, the making of loans, the giving of guarantees, the provision of security, the giving of warranties, the giving of indemnities, or otherwise for the purpose of or in connection with the subscription of any option, or any securities issued or to be issued by the company or a related or interrelated company (as defined in section 2 of the Companies Act) or for the purchase of any securities of the company or a related or interrelated company in accordance with the provisions of section 44 of the Companies Act.

An annual general authorisation from shareholders avoids the need to refer each instance to the shareholders for approval with the resulting time delays and expense. If approved, this annual general authority will expire at the end of two (2) years from the date on which this resolution is passed. There is, however, the intention to renew the authority annually at the company's future AGMs.

16. SPECIAL RESOLUTION NUMBER 3

AUTHORITY TO PROVIDE FINANCIAL ASSISTANCE IN TERMS OF SECTION 45 OF THE COMPANIES ACT

Section 45 of the Companies Act

RESOLVED THAT:

The board may, subject to compliance with the requirements of the MOI and of the Companies Act (including but not limited to the board being satisfied that immediately after providing the financial assistance, the company would satisfy the solvency and liquidity test (as contemplated in section 4 of the Companies Act) and that the terms under which the financial assistance is proposed to be given are fair and reasonable to the company), authorise the company to provide, at any time and from time to time during the period of two (2) years commencing on the date of the adoption of this special resolution, as envisaged in section 45 of the Companies Act, any direct or indirect financial assistance (including lending money, guaranteeing a loan or other obligation, and securing any debt or obligation) to a director or prescribed officer of the company or of a related or interrelated company, or to a related or interrelated company or corporation, or to a member of a related or interrelated corporation, or to a person related to any such company, corporation, director, prescribed officer or member, provided that such financial assistance may be granted up to a limit of R6 billion per transaction on the basis that the aggregate net outstanding financial assistance provided in terms of section 45 of the Companies Act will not at any time exceed in aggregate (and determined on a cumulative basis) R12 billion.

NOTICE OF ANNUAL GENERAL MEETING *continued***EXPLANATION AND EFFECT OF SPECIAL RESOLUTION NUMBER 3 – AUTHORITY TO PROVIDE FINANCIAL ASSISTANCE IN TERMS OF SECTION 45 OF THE COMPANIES ACT:**

The reason for special resolution number 3 is to obtain approval from shareholders to enable the company to provide financial assistance, when the need arises, to any director or prescribed officer of the company or of a related or interrelated company, or to a related or interrelated company or corporation, or to a member of a related or interrelated corporation, or to a person related to any such company, corporation, director, prescribed officer or member in accordance with the provisions of section 45 of the Companies Act.

The effect of special resolution number 3 is that the company will have the necessary authority to provide financial assistance to the category of potential recipients as and when required but provided that the board will not approve a resolution to authorise such financial assistance unless the directors are satisfied that:

- ▶ immediately after providing the financial assistance, the company would satisfy the solvency and liquidity test as contemplated in the Companies Act; and
- ▶ the terms under which the financial assistance is proposed to be given in terms of section 45 are fair and reasonable to the company.

The annual general authority from shareholders in special resolution number 3 will allow the company to continue giving financial assistance, including, without limitation, making loans to subsidiaries as well as granting letters of support and guarantees in appropriate circumstances, to one or more related or interrelated companies, subject to the cap on the amount of this financial assistance which may be granted, as contemplated in the special resolution. If approved, this annual general authority will expire at the end of 2 (two) years from the date on which this resolution is passed. There is, however, the intention to renew the authority annually at the company's future AGMs.

17. SPECIAL RESOLUTION NUMBER 4**ANNUAL GENERAL AUTHORITY TO REPURCHASE SECURITIES**

Sections 5.72, 5.68, 5.79 and 11.26 of the JSE Listings Requirements

RESOLVED THAT:

The company and/or a present or future subsidiary company are hereby authorised as an annual general authority, and as permitted in terms of clause 35 of the company's MOI, to repurchase securities issued by the company on such terms and conditions as may be determined by the directors from time to time, subject to the restrictions placed by the Companies Act and the following provisions of the JSE Listings Requirements:

- 17.1 That the repurchase of securities be effected on the open market through the order book operated by the JSE trading system and be done without any prior understanding or arrangement between the company and the counterparty (reported trades are prohibited);
- 17.2 That this annual general authority be valid only until the next AGM or for fifteen months from the date of the passing of this resolution, whichever is the earlier date;
- 17.3 That an announcement be made giving such details as may be required in terms of the JSE Listings Requirements when the company has cumulatively repurchased 3% of the initial number (the number of that class of securities in issue at the time that the annual general authority is granted by the passing of this special resolution) of the relevant class of securities and for each 3% in aggregate of the initial number of that class acquired thereafter;
- 17.4 At any point in time the company may only appoint one agent to effect any repurchase on the company's behalf;
- 17.5 Repurchases may not be made by the company and/or its subsidiaries during a prohibited period as defined by the JSE Listings Requirements unless a repurchase programme is in place where the dates and quantities of securities to be traded during the relevant period are fixed (not subject to variation) and have been submitted to the JSE in writing prior to the commencement of the prohibited period. The company will instruct an independent third party, which makes its investment decision in relation to the company's securities independently of, and uninfluenced by, the company prior to the commencement of the prohibited period to execute the repurchase programme submitted to the JSE;
- 17.6 The annual general repurchase of securities shall not, in the aggregate, in any one financial year, exceed 20% of the company's issued capital of that class at the beginning of the financial year;
- 17.7 In terms of the Companies Act, a maximum of 10% in aggregate of the company's issued capital may be repurchased by the subsidiaries of the company;
- 17.8 Repurchase of securities may not be made at a price greater than 10% above the weighted average of the market value of the securities as determined over the five business days immediately preceding the date on which the transaction is effected. The JSE will be consulted for a ruling if the company's securities have not traded in such five business days;
- 17.9 If the company enters into derivative transactions that may or will result in the repurchase of securities in terms of this annual general authority, such transactions will be subject to the provisions of the JSE Listings Requirements;
- 17.10 The directors undertake that the company will not commence an annual general repurchase of shares as contemplated above unless, for a period of 12 months following the date of the repurchase, the following criteria can be met:

- 17.10.1 The company and the group will be able to repay its debts in the ordinary course of business;
- 17.10.2 The company and the group's assets will be in excess of the liabilities of the company and the group. For this purpose, the assets and liabilities will be recognised and measured in accordance with the accounting policies used in the latest audited consolidated annual financial statements which comply with the Companies Act;
- 17.10.3 The share capital and reserves of the company and the group will be adequate for ordinary business purposes; and
- 17.10.3 The working capital of the company and the group will be adequate for ordinary business purposes.
- 17.11 The board must pass a resolution that it authorised the repurchase and that the company and the group have passed the solvency and liquidity test as set out in section 4 of the Companies Act, and that since the test was done there have been no material changes to the financial position of the group; and
- 17.12 Any annual general repurchase is subject to exchange control regulations and approvals in place at that point in time.

EXPLANATION AND EFFECT OF SPECIAL RESOLUTION NUMBER 4 – ANNUAL GENERAL AUTHORITY TO REPURCHASE SECURITIES:

The reason for special resolution number 4 is to grant the board the annual general authority and requisite approval to enable and facilitate the acquisition by the company and/or a present or future subsidiary of the company of the company's own securities, subject to the provisions of the MOI of the company, the Companies Act and the JSE Listings Requirements.

The effect of special resolution number 4 is that the company and/or a present or future subsidiary company is authorised to repurchase its own securities at any time while the annual general authority exists, in compliance with the provisions of the JSE Listings Requirements, the Companies Act and the MOI of the company. Please see additional information to consider in respect of this special resolution in the section marked "Additional information" on page 12 of this notice of annual general meeting.

This annual general authority to acquire the company's securities replaces the annual general authority granted by the shareholders at the previous annual general meeting of the company held on 5 March 2021.

It is recorded that, at present, the board has no specific intention with regard to the utilisation of the annual general authority which is the subject of special resolution number 4.

18. SPECIAL RESOLUTION NUMBER 5

ANNUAL GENERAL AUTHORITY TO ALLOT AND ISSUE AUTHORISED BUT UNISSUED SECURITIES FOR CASH

Section 5.52 of the JSE Listings Requirements as read with clause 19.9 of the MOI

RESOLVED THAT:

The directors are hereby authorised, as an annual general authority, to allot and issue the authorised but unissued securities for cash, upon such terms and conditions and to such persons as they in their discretion may determine, subject to the provisions of the Companies Act, the MOI of the company and the JSE Listings Requirements, provided that:

- 18.1 The securities be of a class already in issue or, where this is not the case, must be limited to such securities or rights that are convertible into a class already in issue;
- 18.2 Securities may only be issued to public shareholders as defined in the JSE Listings Requirements, and not to related parties;
- 18.3 The securities which are the subject of annual general issues for cash:
- 18.3.1 In the aggregate may not exceed 5% (being 36 055 520 ordinary shares) of the company's equity securities in issue of that class as at the date of the issue of the notice of the annual general meeting, provided that such authorisation be valid only until the next AGM or fifteen months from the date of passing the resolution, whichever is the earlier date; and
- 18.3.2 In the event of a subdivision or consolidation of the issued equity securities during the period contemplated in the first bullet point above, the existing authority must be adjusted accordingly to represent the same allocation ratio.
- 18.4 Any equity securities issued under this authority during the period must be deducted from the number above;
- 18.5 The calculation of the listed equity securities is a factual assessment of the listed equity securities as at the date of the AGM, and excludes treasury shares;
- 18.6 The maximum discount at which such securities may be issued or sold, as the case may be, is 10% of the weighted average traded price of such securities on the JSE over the 30 business days preceding the date that the price of the issue is agreed on between the company and the party subscribing for the securities. The JSE will be consulted for a ruling if the company's securities have not traded in such 30 business days;
- 18.7 Any such annual general issues are subject to exchange control regulations and approval at that point in time;
- 18.8 An announcement giving full details, including the impact on net asset value, net tangible asset value, earnings and headline earnings per security (and if applicable, diluted earnings and diluted headline earnings per security) will be published at the time of any issue representing, on a cumulative basis within a financial year, 5% of the number of securities in issue prior to the issue, in accordance with section 11.22 of the JSE Listings Requirements; and
- 18.9 This authority includes any options/convertible securities that are convertible into an existing class of equity securities.

NOTICE OF ANNUAL GENERAL MEETING *continued***EXPLANATION AND EFFECT OF SPECIAL RESOLUTION NUMBER 5 – ANNUAL GENERAL AUTHORITY TO ALLOT AND ISSUE AUTHORISED BUT UNISSUED SECURITIES:**

The reason for special resolution number 5 is to authorise and approve the company's allotment and issue of authorised but unissued securities by the board upon such terms and conditions and to such persons as they, in their discretion, may determine, subject to limitations and other provisions contained herein, in the Companies Act, the MOI of the company and the JSE Listings Requirements.

In terms of the JSE Listings Requirements, in order to be adopted, this resolution is ordinarily passed as an ordinary resolution adopted by achieving a 75% majority of the votes cast. In terms of clause 19.9 of the company's MOI, for so long as the company is listed on the JSE, if any of the JSE Listings Requirements require an ordinary resolution to be passed with a 75% majority, the resolution shall instead be required to be passed by a special resolution. Accordingly, this annual general authority to allot and issue authorised but unissued securities is being obtained as a special resolution.

C. SOCIAL AND ETHICS COMMITTEE REPORT TO THE ANNUAL GENERAL MEETING

This report is contained on page 12 of the audited consolidated annual financial statements, available at www.transactioncapital.co.za. The chairperson of the committee will be available at the AGM to answer any questions thereon.

D. TRADING UPDATE

A verbal trading update, to be presented by the chief executive officer of the company at the AGM, will simultaneously be released on the Stock Exchange News Service of the JSE.

E. OTHER BUSINESS

To transact any other business that may be transacted at an AGM.

ADDITIONAL INFORMATION

For the purpose of considering special resolution number 4, and in compliance with paragraph 11.26 of the JSE Listings Requirements, the information listed below has been included in the integrated report and annual financial statements, both available at www.transactioncapital.co.za, at the places indicated:

- ▶ Major shareholders – refer to page 122 of the integrated report; and
- ▶ Share capital of the company – refer to page 64 of the annual financial statements.

The directors, whose names are set out on page 53 of the integrated report, collectively and individually accept full responsibility for the accuracy of the above information as contemplated in paragraph 11.26 of the JSE Listings Requirements, for the purpose of special resolution number 4, and certify that to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement false or misleading, and that they have made all reasonable enquiries in this regard to ascertain such facts, and that all information required by law and the JSE Listings Requirements is contained herein.

After the last practicable date prior to publishing this notice, being Tuesday, 18 January 2022, there have been no material changes in the financial or trading position of the group that have occurred since 30 September 2021 other than as disclosed in the integrated report.

RECORD DATES

The record date on which shareholders must be recorded as such in the register of shareholders of the company for the purposes of receiving notice of this annual general meeting is Friday, 7 January 2022.

The record date on which shareholders must be recorded as such in the register of shareholders of the company for the purposes of being entitled to attend, participate and vote at the AGM is Tuesday, 1 March 2022.

The last day to trade in the company's shares for the purpose of being entitled to attend, participate and vote at the AGM is Friday, 4 March 2022.

LISA LILL

Company secretary

Transaction Capital Limited

18 January 2022

ANNEXURE A: CURRICULA VITAE OF DIRECTORS

BRIEF CURRICULA VITAE OF DIRECTORS STANDING FOR ELECTION AND RE-ELECTION

KUBEN PILLAY (61)

Independent non-executive director

BA, LLB (University of the Witwatersrand),
MCJ (Howard School of Law)

Appointed: August 2016

Kuben held various executive positions within Primedia Limited from September 2002 to February 2014, including serving as the group chief executive officer (CEO) and thereafter as group executive chairman. From February 2014 to December 2016, he served in the capacity of non-executive chairman of Primedia Limited. An attorney by profession, Kuben was a managing financial partner at attorneys Cheadle Thompson and Haysom before joining Mineworker's Investment Company Proprietary Limited in 1996 as a founding executive director, and later as the non-executive chairman of the Mineworker's Investment Company. Kuben currently serves as the chairman of Sabvest Limited and Net1 UEPS Technologies, Inc. and as the lead independent director of the OUTsurance group of companies.

SHARON WAPNICK (58)

Independent non-executive director

BA, LLB (University of the Witwatersrand)

Appointed: March 2020

Sharon is a practising attorney and one of the founding partners and a senior partner of the law firm Tugendhaft Wapnick Banchetti & Partners, which was formed in October 2004. She was admitted as an attorney in 1988. Sharon specialises in commercial litigation and has experience in constitutional law. She also has extensive experience in regulatory and property-related matters and in high-profile commercial and civil litigation, as well as arbitrations. Sharon currently serves as the non-executive chairman of Octodec Investments Limited, a real estate investment trust company listed on the JSE Limited, and is a non-executive director of City Property Administration Proprietary Limited. She was also a founding director of Dial Direct Insurance Company Limited.

IAN KIRK (63)

Independent non-executive director

HDip BDP (University of the Witwatersrand),
FCA (Ireland), CA(SA)

Appointed: November 2020

Ian was admitted as a partner at PwC in 1986 and has since held various leadership positions at executive and non-executive level, including at industry associations such as the South African Insurance Association and the Association of Savings and Investment South Africa. Ian served as CEO of Sanlam from 2015 to December 2020 and was a director on various subsidiary boards of the Sanlam Group, including Santam, Shriram Capital, AfroCentric and Sanlam Life. Prior to this, he served as CEO at Santam and Capital Alliance Holdings, and as deputy CEO of Liberty Group. Ian was appointed to the Presidential State-Owned Enterprises Council in June 2020, which is mandated to reposition South Africa's state-owned enterprises.

SURESH KANA (66)

Lead independent director

BCom, BCompt (Hons), MCom, PhD (Honorary)
(University of the Witwatersrand), CA(SA)

Appointed: November 2020

Suresh was admitted as a partner at PwC in 1986, and subsequently appointed as CEO and senior partner of PwC Africa. He currently chairs the Murray & Roberts Holdings Limited board and is lead independent director of the JSE Limited. Suresh also chairs the audit committee of the United Nations World Food Programme based in Rome and serves as a trustee of the IFRS Foundation based in London. Suresh is the deputy chair of the Integrated Reporting Committee of South Africa and the former chair of the King Committee on Corporate Governance. Suresh has previously served as board chair of the South African Institute of Chartered Accountants and deputy chair of the Independent Regulatory Board for Auditors. Past non-executive directorships include Illovo Sugar Limited, Quilter plc and board chair of Imperial Holdings Limited.

BRIEF CURRICULA VITAE OF DIRECTORS STANDING FOR ELECTION AND RE-ELECTION *continued***ALBERTINAH KEKANA (48)****Independent non-executive director**

BCom (University of Cape Town), PGDA (University of Cape Town), AMP (Harvard Business School), CA(SA)

Appointed: April 2021

Albertinah has extensive asset management, investment banking, financial services and business leadership experience. She has held the position of CEO of Royal Bafokeng Holdings (Pty) Ltd since 1 November 2012. Prior to this, she was the chief operating officer of Public Investment Corporation SOC Limited and Director – Corporate Finance at UBS Group AG. Until recently, Albertinah served as a non-executive director of RMB Holdings Limited, and is currently a non-executive director of Rand Merchant Investment Holdings Limited and Development Bank of Southern Africa Limited.

DIANE RADLEY (55)**Independent non-executive director**

BCom (Rhodes University), BCom (Hons) (University of South Africa), CA(SA), MBA (Wits Business School), AMP (Harvard Business School)

Appointed: July 2018

Diane was admitted as a partner at PwC in 1999, where she led the Transaction Services Group that advised on local and international listings and corporate transactions. In 2001, she joined Allied Electronics Corporation Limited as its chief financial officer (CFO) and was also appointed as a non-executive director at Allied Technologies Limited, Bytes Technology Group Limited, Omnia Holdings Limited and Women Investment Portfolio Holdings Limited. In 2008, Diane served as Old Mutual South Africa's group finance director and in 2010 she was appointed as Old Mutual Investment Group's CEO until the end of 2016. Diane is currently a non-executive director of JSE-listed Murray & Roberts Holdings Limited, Redefine Properties Limited and Australian Securities Exchange-listed Base Resources Limited and London Securities Exchange-listed Network International Holdings plc. Diane serves as a trustee on the DG Murray Trust, a public innovator committed to developing South Africa's potential through strategic investment.

BUHLE HANISE (39)**Independent non-executive director**

BCom (University of Transkei), BCom (Hons) (University of KwaZulu-Natal), CA(SA)

Appointed: January 2019

After completing her articles with KPMG, Buhle held credit management positions at The Standard Bank of South Africa Limited, Nedbank Limited and most recently as a senior business rescue specialist at the Industrial Development Corporation (IDC). In January 2020, Buhle was appointed as chief financial officer of BAIC South Africa, a subsidiary of the IDC. She is a non-executive director of OUTsurance Holdings Limited and the South African Forestry Company SOC Limited. She is also president of African Women Chartered Accountants. In addition to her primary qualifications, Buhle holds advanced certificates in Business Rescue Practice from the Law Society of South Africa, and in Insolvency Law and Practice from the University of Johannesburg, as well as in Emerging Markets and Country Risk Analysis from Fordham University. She has completed the Development Finance Programme at the University of Stellenbosch Business School.

SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS

BASIS FOR PREPERATION

The consolidated financial statements and summarised consolidated financial statements have been prepared under the supervision of Sean Doherty CA(SA), chief financial officer. These results represent a summary of the complete set of audited consolidated financial statements of Transaction Capital, approved on 16 November 2021. The directors take full responsibility and confirm that this information has been correctly extracted from the audited consolidated financial statements, which are available online at www.transactioncapital.co.za and at Transaction Capital's registered office.

The summarised consolidated financial statements have been prepared in accordance with the requirements of International Financial Reporting Standards (IFRS), the information required by IAS 34 – Interim Financial Reporting, and in accordance with the requirements of the Companies Act of South Africa, 71 of 2008.

The accounting policies applied in the preparation of the consolidated financial statements, from which the summarised consolidated financial statements for the year ended 30 September 2021 were derived, are in terms of IFRS and are consistent, in all material respects, with those details in Transaction Capital's prior year consolidated financial statements.

The group's auditors, Deloitte & Touche, have issued an unmodified audit opinion on the consolidated and summarised financial statements for the year ended 30 September 2021. The audit was conducted in accordance with International Standards on Auditing (ISA).

The auditor's report does not report on all the information contained in this notice. Shareholders are therefore advised that to obtain a full understanding of the nature of the auditor's engagement, they should read the unmodified ISA 810 (Revised), Engagements to Report on Summary Financial Statements audit report, included on page 17.



INDEPENDENT AUDITOR'S REPORT ON SUMMARISED FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF TRANSACTION CAPITAL LIMITED

OPINION

The summarised consolidated financial statements of Transaction Capital Limited, set out on pages 18 to 48 of the accompanying summarised consolidated financial statements, which comprise the summarised consolidated statement of financial position as at 30 September 2021, the summarised consolidated income statement, the summarised consolidated statement of comprehensive income, the summarised consolidated statement of changes in equity and the summarised consolidated statement of cash flows for the year then ended, and related notes, are derived from the audited consolidated financial statements of Transaction Capital Limited for the year ended 30 September 2021.

In our opinion, the accompanying summarised consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements of Transaction Capital Limited, in accordance with the requirements of the Companies Act of South Africa as applicable to summary financial statements.

SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS

The summarised consolidated financial statements do not contain all the disclosures required by the International Financial Reporting Standards and the requirements of the Companies Act of South Africa as applicable to annual financial statements. Reading the summarised consolidated financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated financial statements of Transaction Capital Limited and the auditor's report thereon. The summarised financial statements and the audited consolidated financial statements do not reflect the effect of events that occurred subsequent to the date of our report on the audited consolidated financial statements.

THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS AND OUR REPORT THEREON

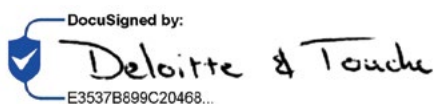
We expressed an unmodified audit opinion on the audited consolidated financial statements in our report dated 16 November 2021. That report also included the communication of key audit matters as reported in the auditor's report of the audited consolidated financial statements.

DIRECTORS' RESPONSIBILITY FOR THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS

The directors are responsible for the preparation of the summarised consolidated financial statements in accordance with the requirements of the Companies Act of South Africa as applicable to summary financial statements and for such internal control as the directors determine is necessary to enable the preparation of the summarised consolidated financial statements that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on whether the summarised consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), Engagements to Report on Summarised Financial Statements.

DocuSigned by:

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DELOITTE & TOUCHE

Registered Auditor
Per: Stephen Munro
Partner

18 January 2022

5 Magwa Crescent, Waterfall City, Waterfall, South Africa

SUMMARISED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 30 SEPTEMBER 2021

	Notes	2021 Audited Rm	2020 Audited Restated* Rm
Assets			
Cash and cash equivalents		2 236	1 794
Tax receivables		30	32
Trade and other receivables		1 477	1 522
Inventories		2 477	1 032
Assets classified as held for sale		98	262
Loans and advances		13 305	11 545
Leased assets		17	–
Purchased book debts		3 441	2 520
Other loans receivable		65	55
Equity accounted investments	1	301	2 153
Intangible assets		3 237	491
Property and equipment		1 075	439
Goodwill	7	4 353	1 365
Deferred tax assets		319	344
TOTAL ASSETS		32 431	23 554
Liabilities			
Bank overdrafts		364	387
Other short-term borrowings		81	102
Tax payables		41	46
Trade and other payables		2 459	686
Provisions		92	66
Liabilities directly associated with assets held for sale		14	12
Insurance contract liabilities		271	374
Benefits ceded on insurance contracts relating to inventories		46	45
Benefits ceded on insurance contracts relating to loans and advances		52	124
Benefits accruing to insurance contract holders		173	205
Interest-bearing liabilities		16 139	14 639
Senior debt		15 349	13 894
Subordinated debt		790	745
Lease liabilities		420	417
Deferred tax liabilities		1 405	452
TOTAL LIABILITIES		21 286	17 181
Equity			
Ordinary share capital	2	3 464	2 015
Other reserves		688	322
Retained earnings		5 591	3 481
Equity attributable to ordinary equity holders of the parent		9 743	5 818
Non-controlling interests	3	1 402	555
TOTAL EQUITY		11 145	6 373
TOTAL EQUITY AND LIABILITIES		32 431	23 554

* In terms of IFRS 3: Business Combinations, the provisional accounting applied to the acquisition of Net1 Fihrst Holdings (Pty) Ltd was finalised during the current financial year. As a result, the intangible assets identified from the business combination were reduced by R14 million, the related deferred tax liability was reduced by R3 million and goodwill increased by R11 million. The impact on the statement of comprehensive income is negligible. Comparative information has been restated accordingly.

SUMMARISED CONSOLIDATED INCOME STATEMENT

FOR THE YEAR ENDED 30 SEPTEMBER 2021

	Notes	2021 Audited Rm	2020 Audited Rm
Interest income		2 663	2 555
Interest expense		(1 232)	(1 291)
NET INTEREST INCOME		1 431	1 264
Impairment of loans and advances		(563)	(836)
RISK-ADJUSTED NET INTEREST INCOME		868	428
Non-interest revenue	4	3 365	2 987
Net insurance result	4	392	440
Insurance revenue		1 015	907
Insurance service expense		(620)	(468)
Insurance finance (expense)/income		(3)	1
Other non-interest revenue	4	2 973	2 547
Operating costs		(3 122)	(3 083)
Non-operating profit		1 419	5
Equity accounted income	1	213	32
PROFIT BEFORE TAX		2 743	369
Income tax expense		(325)	(79)
PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS		2 418	290
Discontinued operations			
Loss for the year from discontinued operations		(12)	(87)
PROFIT FOR THE YEAR		2 406	203
Profit for the year from continuing operations attributable to:			
Ordinary equity holders of the parent		2 302	245
Non-controlling interests		116	45
Loss for the year from discontinued operations attributable to:			
Ordinary equity holders of the parent		(12)	(87)
Non-controlling interests		-	-
Earnings per share (cents)			
From continuing operations			
Basic earnings per share	5	338.7	39.3
Diluted basic earnings per share	5	336.7	39.2
From continuing and discontinued operations			
Basic earnings per share	5	336.9	25.3
Diluted basic earnings per share	5	334.9	25.3

SUMMARISED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 SEPTEMBER 2021

	2021 Audited Rm	2020 Audited Rm
PROFIT FOR THE YEAR	2 406	203
Other comprehensive income		
Items that may be reclassified subsequently to profit and loss:		
Movement in cash flow hedging reserve	22	(22)
Fair value gain/(loss) arising during the year	31	(31)
Deferred tax	(9)	9
Exchange (loss)/gain on translation of foreign operations	(89)	145
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	2 339	326
Total comprehensive income attributable to:		
Ordinary equity holders of the parent	2 223	281
Non-controlling interests	116	45

SUMMARISED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 SEPTEMBER 2021

	Number of ordinary shares Audited million	Ordinary share capital Audited Rm	Other reserves Audited Rm	Retained earnings Audited Rm	Equity attributable to ordinary equity holders of the parent Audited Rm	Non-controlling interests Audited Rm	Total equity Audited Rm
BALANCE AT 30 SEPTEMBER 2019	612.7	1 103	179	3 614	4 896	576	5 472
Adjustment on initial adoption of IFRS 16*	–	–	–	(51)	(51)	–	(51)
RESTATED BALANCE AT 1 OCTOBER 2019	612.7	1 103	179	3 563	4 845	576	5 421
Total comprehensive income	–	–	123	158	281	45	326
Profit for the year	–	–	–	158	158	45	203
Other comprehensive income	–	–	123	–	123	–	123
Grant of conditional share plans	–	–	61	–	61	–	61
Settlement of conditional share plans	–	–	(41)	(31)	(72)	–	(72)
Dividends paid	–	–	–	(209)	(209)	(66)	(275)
Issue of shares	50.8	954	–	–	954	–	954
Repurchase of shares	(2.0)	(42)	–	–	(42)	–	(42)
BALANCE AT 30 SEPTEMBER 2020	661.5	2 015	322	3 481	5 818	555	6 373
Total comprehensive income	–	–	(67)	2 290	2 223	116	2 339
Profit for the year	–	–	–	2 290	2 290	116	2 406
Other comprehensive income	–	–	(67)	–	(67)	–	(67)
Transactions with non-controlling interests**	–	–	–	(46)	(46)	765	719
Grant of conditional share plans	–	–	62	–	62	–	62
Settlement of conditional share plans	–	–	(15)	(6)	(21)	–	(21)
Recognition of reserve relating to forward contract to issue shares***	–	–	386	–	386	–	386
Dividends paid	–	–	–	(128)	(128)	(34)	(162)
Issue of shares	46.9	1 449	–	–	1 449	–	1 449
BALANCE AT 30 SEPTEMBER 2021	708.4	3 464	688	5 591	9 743	1 402	11 145

* The group adopted IFRS 16 – Leases during the prior financial year.

** Refer to note 3 for details relating to the transactions with non-controlling interests.

*** This reserve has been recognised in relation to the forward contract to issue Transaction Capital Limited shares in settlement of a portion of the purchase price for the acquisition of a controlling interest in the WBC group. Refer to note 7.1 for further information.

SUMMARISED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 SEPTEMBER 2021

Notes	2021 Audited Rm	2020 Audited Rm
Cash flow from operating activities		
Cash generated by operations	892	610
Interest received	2 064	2 039
Interest paid	(1 148)	(1 194)
Income taxes paid	(201)	(115)
Dividends paid	(162)	(275)
Cash flow from operating activities before changes in operating assets and working capital		
	1 445	1 065
Increase in operating assets		
Loans and advances	(1 586)	(1 118)
Leased assets	5	-
Purchased book debts	(1 159)	(720)
Changes in working capital		
Increase in inventories	(721)	(200)
Increase in trade and other receivables	(41)	(76)
Increase in other loans receivable	(37)	(25)
Increase/(decrease) in trade and other payables	108	(161)
NET CASH UTILISED BY OPERATING ACTIVITIES		
	(1 986)	(1 235)
Cash flow from investing activities		
Acquisition of property and equipment	(83)	(57)
Proceeds on disposal of property and equipment	1	4
Acquisition of intangible assets	(108)	(214)
Investment into equity accounted investment	(39)	(1 604)
Acquisition of subsidiary	(23)	(175)
Proceeds on disposal of subsidiary	-	30
NET CASH UTILISED BY INVESTING ACTIVITIES		
	(252)	(2 016)
Cash flow from financing activities		
Proceeds from interest-bearing liabilities	8 648	10 797
Settlement of interest-bearing liabilities	(7 185)	(7 163)
(Settlement)/proceeds in other short-term borrowings	(21)	26
Repayment of lease liabilities	(61)	(52)
Additional interest acquired in subsidiary	(82)	-
Repurchase of shares	-	(42)
Issue of shares	1 407	550
NET CASH GENERATED BY FINANCING ACTIVITIES		
	2 706	4 116
Net increase in cash and cash equivalents		
Cash and cash equivalents at the beginning of the year	1 422	538
Effects of exchange rate changes on the balance of cash held in foreign currencies	(16)	19
CASH AND CASH EQUIVALENTS AT THE END OF YEAR*		
	1 874	1 422

* Cash and cash equivalents are presented net of bank overdrafts and include R2 million (2020: R15 million) of cash transferred as part of assets held for sale.

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2021

1 Equity accounted investments

1.1 DETAILS OF THE GROUP'S SIGNIFICANT INVESTMENTS AT 30 SEPTEMBER 2021 ARE AS FOLLOWS:

	Principal activity	Place of incorporation and principal place of business	Proportion of ownership interest held by the group %	
			2021	2020
We Buy Cars Pty Ltd (WeBuyCars)*	Buying and selling of second-hand motor vehicles	South Africa	*	49.9%
TC Global Finance Limited (TC Global Finance)**	TC Globalisation	Europe	50%	50%
Lanyana Financial Group Pty Ltd (Lanyana)	Debt advisory	Australia	25%	25%

* TCMH acquired an additional 25% interest in the WBC group on 3 August 2021, resulting in the group owning an effective controlling 74.2% shareholding in WBC Holdings (Pty) Ltd, and therefore derecognising the investment in associate. Prior to the acquisition of the controlling interest, the investment was accounted for as an associate, as the group did not have substantive rights sufficient to give it the ability to control the investment. Refer to note 1.2 for details relating to the change in the group's ownership interest in the associate.

** The investment is accounted for as an associate as the group does not have the unilateral ability to control, direct or govern how the independent directors may vote on decisions that impact the variable returns of the investment, therefore significant influence exists opposed to unanimous consent.

1.2 CHANGE IN THE GROUP'S OWNERSHIP INTEREST IN AN ASSOCIATE

In the prior year, Transaction Capital Motor Holdco (Pty) Ltd (TCMH) acquired a 49.9% non-controlling interest in We Buy Cars (Pty) Ltd and accounted for the investment as an associate. On 3 August 2021, TCMH increased its shareholding in the WBC group (WeBuyCars) through the implementation of various transaction agreements following which TCMH holds a controlling shareholding of 74.9% in the issued shares of WBC Holdings (Pty) Ltd (WBC Holdings). Transaction Capital holds an effective 74.2% shareholding in the WBC group due to minority shareholdings in TCMH. TCMH exchanged the existing shares it held in We Buy Cars (Pty) Ltd for newly issued shares in WBC Holdings which is the parent entity of We Buy Cars (Pty) Ltd.

The fair value of Transaction Capital's interest in WeBuyCars (Pty) Ltd held prior to 3 August 2021 amounted to R3 482 million. Transaction Capital recognised a gain of R1 417 million as a result of measuring at fair value its 49.9% interest in WeBuyCars prior to TCMH acquiring the 74.9% controlling interest. The gain is included in non-operating profit in the group consolidated statement of comprehensive income. Subsequent to the acquisition of the controlling stake in WeBuyCars, Transaction Capital consolidates the WBC group into its results. Refer to note 7.1 for details on the acquisition of the subsidiary.

	2021 Audited Rm
Fair value of investment in associate on date of acquisition of controlling interest	3 482
Less: carrying value of investment in associate on the date of acquisition of controlling interest	(2 065)
FAIR VALUE GAIN RECOGNISED	1 417

1.3 DETAILS OF MATERIAL ASSOCIATE

Prior to the acquisition of the controlling interest in the WBC group, Transaction Capital considered the associate investment into We Buy Cars (Pty) Ltd to be material. Summarised financial information relating to the material associate is set out below for the period from 1 October 2020 to 2 August 2021. The summarised financial information below represents amounts in associates' financial statements prepared in accordance with IFRS Standards.

	We Buy Cars (Pty) Ltd	
	2021 Audited Rm	2020 Audited Rm
Current assets	1 031	611
Non-current assets	1 060	836
Current liabilities	(454)	(367)
Non-current liabilities	(639)	(459)
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY	998	621
Non-interest revenue	1 185	923
PROFIT FOR THE YEAR*	432	302
Other comprehensive income attributable to the owners of the company	-	-
TOTAL COMPREHENSIVE INCOME*	432	302

* Comparative information has been restated to correctly account for a consolidation entry relating to straightlining of leases. The adjustment resulted in a R4 million reduction in the comparative profit for the year.

Dividends received from We Buy Cars (Pty) Ltd in the current year were R25 million (2020: Rnil).

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS *continued*

1 Equity accounted investments continued

1.4 CARRYING AMOUNT OF EQUITY ACCOUNTED INVESTMENTS

	WeBuyCars*		TC Global Finance	
	2021 Audited Rm	2020 Audited Rm	2021 Audited Rm	2020 Audited Rm
Net assets of investment**	-	621	440	368
Proportion of the group's ownership interest in the investment	-	310	220	184
Goodwill	-	1 565	-	-
Shareholder loan	-	-	-	-
Other adjustments***	-	-	-	-
CARRYING AMOUNT OF THE GROUP'S INTEREST IN INVESTMENT	-	1 875	220	184

* TCMH acquired an additional 25% interest in the WBC group on 3 August 2021, resulting in the group owning an effective controlling 74.2% shareholding in WBC Holdings (Pty) Ltd, and therefore derecognising the investment in associate and the subsequent consolidation of the WBC group into Transaction Capital's results. Refer to note 1.2 for the derecognition of the investment in the associate.

** This represents amounts included in the IFRS financial statements of the associate, not the group's share of these amounts.

*** Other adjustments include intangible assets and payables raised in terms of IAS 28 – Investment in associates and Joint Ventures.

1.4.1 THE CARRYING AMOUNT OF THE GROUP'S INTEREST IN THE INVESTMENT COMPRISES:

	WeBuyCars		TC Global Finance	
	2021 Audited Rm	2020 Audited Rm	2021 Audited Rm	2020 Audited Rm
Carrying amount at the beginning of the year	1 875	-	184	22
Investment into equity accounted investment	-	1 860	53	131
Share of profit after tax	215	15	(7)	8
Dividend received***	(25)	-	-	-
Effect of foreign currency exchange difference	-	-	(10)	23
Fair value gain on date of acquisition of controlling interest	1 417	-	-	-
Derecognition of investment in associate	(3 482)	-	-	-
BALANCE AT THE END OF THE YEAR	-	1 875	220	184

*** Dividends received from associates represent the actual amounts attributable and hence received by the group.

	Lanyana		Total	
	2021 Audited Rm	2020 Audited Rm	2021 Audited Rm	2020 Audited Rm
	17	26	457	1 015
	4	7	224	501
	68	76	68	1 641
	4	5	4	5
	5	6	5	6
	81	94	301	2 153

	Lanyana		Total	
	2021 Audited Rm	2020 Audited Rm	2021 Audited Rm	2020 Audited Rm
	94	70	2 153	92
	-	4	53	1 995
	5	9	213	32
	(9)	(3)	(34)	(3)
	(9)	14	(19)	37
	-	-	1 417	-
	-	-	(3 482)	-
	81	94	301	2 153

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS *continued*

1 Equity accounted investments continued

1.5 CASH FLOW FROM INVESTMENT INTO EQUITY INVESTMENTS:

	2021 Audited Rm	2020 Audited Rm
The cash flow movement in investment into equity accounted investments is calculated as follows:		
Decrease/(increase) in equity accounted investment	1 852	(2 061)
Share of profit after tax	213	32
Ordinary shares in Transaction Capital Limited	–	329
Deferred consideration	(20)	37
Derivative liability	–	22
Fair value gain on date of acquisition of controlling interest	1 417	–
Derecognition of investment in associate on date of acquisition of controlling interest	(3 482)	–
Effect of foreign currency exchange difference	(19)	37
NET INVESTMENT INTO EQUITY ACCOUNTED INVESTMENTS	(39)	(1 604)

	2021 Audited Rm	2020 Audited Rm
2 Ordinary share capital		
Authorised		
1 000 000 000 ordinary shares		
Issued		
708 431 319 (2020: 661 496 331) ordinary shares		
Ordinary share capital	3 464	2 015
ORDINARY SHARE CAPITAL	3 464	2 015

2 Ordinary share capital continued

	2021 Audited		2020 Audited	
	Number of shares Million	Share capital Rm*	Number of shares Million	Share capital Rm*
2.1 RECONCILIATION OF ORDINARY SHARE CAPITAL				
Balance at the beginning of the year	661.5	2 015	612.7	1 103
Shares issued in settlement of the conditional share plan (Note 2.1.1)	0.9	22	3.6	75
Equity raised through the open market (Note 2.1.2)	12.4	248	–	–
Equity raised through accelerated bookbuild (Note 2.1.3)	33.1	1 159	30.7	550
Shares issued to subsidiaries (Note 2.1.4)	0.5	20	16.5	329
Shares repurchased in the open market and cancelled	–	–	(2.0)	(42)
BALANCE AT THE END OF THE YEAR	708.4	3 464	661.5	2 015

* Net of share issue costs

- 2.1.1** In terms of specific authority received from shareholders on the adoption of the Transaction Capital Share Appreciation Rights Plan and Transaction Capital Conditional Share Plan, a total of 905 693 shares were issued to participants/employees as part of respective vestings at an average price of R24.63 per share.
- 2.1.2** On 14 January 2021, shareholders approved the issue of 12 400 000 shares to Royal Bafokeng Holdings at a price of R20 per share.
- 2.1.3** On 9 July 2021 Transaction Capital limited raised equity in the form of 33 093 389 shares through the issue of new ordinary shares to qualifying investors through an accelerated bookbuild. The ordinary shares were priced at R35.50 per share (before share issue costs), a 4.7% and 4.4% discount to the pre-launch 30-business-day volume-weighted average price (VWAP) of R37.25 and the close price of R37.15 respectively, as at the market close on 8 July 2021. The equity raise was completed under the company's general authority to issue shares for cash approved by Transaction Capital shareholders at the annual general meeting of the company held on 5 March 2021.
- 2.1.4** On 14 September 2021 Transaction Capital issued 535 906 shares to Transaction Capital Motor Holdco Proprietary Limited at a price of R37.32 per share (before share issue costs) in respect of the We Buy Cars (Pty) Ltd acquisition. The 535 906 shares were in turn transferred to We Buy Cars (Pty) Ltd as part of the settlement of the deferred consideration relating to the 11 September 2020 purchase of the 49.9% non-controlling interest in We Buy Cars (Pty) Ltd. We Buy Cars (Pty) Ltd distributed the shares to previous shareholders through a dividend which was declared prior to acquisition of the investment.

PREFERENCE SHARE CAPITAL

Authorised

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

Issued

Nil (2020: nil) preference shares

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS *continued*

	2021 Audited Rm	2020 Audited Rm
3 Non-controlling interests		
Balance at the beginning of the year	555	576
Dividends paid	(34)	(66)
Share of profit for the year	116	45
Purchase of shares in subsidiaries from non-controlling interests (refer to note 3.1)	(27)	–
Issue of shares by subsidiary to non-controlling interests (refer to note 3.2)	31	–
Business combination (refer to note 3.3)	761	–
BALANCE AT THE END OF THE YEAR	1 402	555

3.1 The following purchases of shares in subsidiaries from non-controlling interests took place during the financial year:

- ▶ On 1 October 2020, the group, through its subsidiary Transaction Capital Risk Services (Pty) Ltd (TCRS), acquired an additional 25% of RC VAS Holdings (Pty) Ltd (Road Cover) for a purchase consideration of R40 million. Following the transaction, the group owns 100% of Road Cover.
- ▶ On 7 December 2020, the group acquired an additional 1 990 343 ordinary shares in its subsidiary SA Taxi Holdings (Pty) Ltd (SA Taxi) from the Empire Family Trust, representing 0.67% of SA Taxi's ordinary shares, for a purchase consideration of R54 million. Following the transaction, the group owns 82.13% of the ordinary shares of SA Taxi.

3.2 The following issues of shares by subsidiaries to non-controlling interests took place during the year:

- ▶ On 1 December 2020, the group, through its subsidiary TCMH, issued shares to the Empire Family Trust, representing 1% ownership equity in TCMH for a consideration of R28 million. Following the transaction, the group owns 99% of TCMH.
- ▶ On 23 September 2021, the group, through its subsidiary Transaction Capital Transactional Services (TCTS), issued shares to the CEO of TCTS, representing 5% ownership equity in TCTS for a consideration of R20 million. Following the transaction, the group owns 95% of TCTS.

3.3 On 3 August 2021, the group, through its subsidiary TCMH, acquired an additional 25% interest in the WBC group, following which TCMH owns 74.9% of the WBC group. Refer to note 7.1 for further information on the business combination.

4 Non-interest revenue

Revenue earned from the group's vehicle insurance offering (net insurance result) mainly includes insurance premiums and commission income earned from insurance contracts, all of which are accounted for in accordance with IFRS 17 – Insurance Contracts, and therefore fall outside the scope of IFRS 15 – Revenue from Contracts with Customers.

The recognition of revenue earned from collecting on purchased credit-impaired loan portfolios as principal (revenue from purchased book debts) is in accordance with the amortised cost model under IFRS 9 – Financial Instruments, and therefore fall outside the scope of IFRS 15.

Other non-interest revenue streams are disaggregated into the following major revenue streams in accordance with IFRS 15:

	2021 Audited Rm	2020 Audited Rm
Non-interest revenue comprises:		
Net insurance result	392	440
Revenue from purchased book debts	1 383	1 111
Other non-interest revenue	1 590	1 436
Fee-for-service revenue	855	960
Commission income	101	72
Fee income	244	234
Revenue from sale of goods*	338	60
Other insurance service related income**	1	7
Other income	51	103
TOTAL NON-INTEREST REVENUE	3 365	2 987

* Includes gross revenue of R3 192 million.

** Other insurance service related income includes roadside assist and roadcover which is excluded from the net insurance result as they are not considered insurance contracts per IFRS 17.

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS *continued*

	Units	2021 Audited	2020 Audited
5 Earnings per share			
5.1 FROM CONTINUING AND DISCONTINUED OPERATIONS			
Basic earnings per share	Cents	336.9	25.3
Diluted basic earnings per share	Cents	334.9	25.3
Headline earnings per share	Cents	145.5	33.1
Diluted headline earnings per share	Cents	144.7	33.0
The calculation of earnings per share is based on the following data:			
Earnings			
Earnings for the purposes of basic and diluted earnings per share <i>Being profit for the year attributable to ordinary equity holders of the parent</i>	Rm	2 290	158
Headline earnings adjustments:	Rm	(1 301)	48
Impairment of goodwill	Rm	4	2
Fair value gain on previously held interest	Rm	(1 403)	–
Impairment of property and equipment	Rm	7	4
Impairment of intangibles	Rm	67	1
Impairment of right of use assets	Rm	12	16
Impairment of investment	Rm	10	–
Loss from changes in foreign exchange rates from equity accounted investments	Rm	2	–
Loss on disposal of subsidiary	Rm	–	25
EARNINGS FOR THE PURPOSES OF HEADLINE AND DILUTED HEADLINE EARNINGS PER SHARE	Rm	989	206
Number of shares			
WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES FOR THE PURPOSES OF BASIC AND HEADLINE EARNINGS PER SHARE			
Number of ordinary shares in issue at the beginning of the year	Million	661.5	612.7
Effect of shares issued during the year	Million	18.2	12.1
Effect of shares repurchased during the year	Million	–	(1.4)
Weighted average number of ordinary shares for the purposes of basic and headline earnings per share	Million	679.7	623.4
Effect of dilutive potential ordinary shares:			
Shares deemed to be issued for no consideration in respect of the conditional share plan	Million	4.0	0.9
Portion of WeBuyCars deferred consideration to be settled in Transaction Capital Limited ordinary shares	Million	–	1.0
WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES FOR THE PURPOSES OF DILUTED BASIC AND HEADLINE EARNINGS PER SHARE	Million	683.7	625.3

5 Earnings per share continued

5.2 FROM CONTINUING OPERATIONS

	Units	2021 Audited	2020 Audited
Basic earnings per share	Cents	338.7	39.3
Diluted basic earnings per share	Cents	336.7	39.2
Headline earnings per share	Cents	147.0	42.0
Diluted headline earnings per share	Cents	146.1	41.9

The calculation of earnings per share is based on the following data:

Earnings

Profit for the year attributable to ordinary equity holders of the parent	Rm	2 290	158
Adjustments to exclude the loss for the year from discontinued operations	Rm	12	87
Earnings from continuing operations for the purposes of basic and diluted earnings per share excluding discontinued operations	Rm	2 302	245
Headline earnings adjustments:	Rm	(1 303)	17
Impairment of goodwill	Rm	4	2
Fair value gain on previously held interest	Rm	(1 403)	–
Impairment of property and equipment	Rm	7	4
Impairment of intangibles	Rm	67	–
Impairment of right of use of assets	Rm	10	11
Impairment of investment	Rm	10	–
Loss from changes in foreign exchange rates from equity accounted investments	Rm	2	–
Earnings from continuing operations for the purposes of headline and diluted headline earnings per share excluding discontinued operations	Rm	999	262

The denominators used are the same as those detailed above for both basic and diluted earnings per share from continuing and discontinued operations.

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS *continued***6 Financial risk management****6.1 FAIR VALUE DISCLOSURE**

The following represents the fair values of financial instruments not carried at fair value on the statement of financial position, but for which fair value is required to be disclosed. For all other financial instruments, the carrying value is equal to or a reasonable approximation of the fair value.

	2021				
	Carrying value Rm	Total fair value Rm	Level 1 Rm	Level 2 Rm	Level 3 Rm
Assets					
Loans and advances*	13 244	13 244	–	–	13 244
Purchased book debts	3 441	3 441	–	–	3 441
FINANCIAL ASSETS AT AMORTISED COST	16 685	16 685	–	–	16 685
Liabilities					
Interest-bearing liabilities	16 139	16 220	–	–	16 220
Fixed rate liabilities	904	933	–	–	933
Floating rate liabilities	15 235	15 287	–	–	15 287
FINANCIAL LIABILITIES AT AMORTISED COST	16 139	16 220	–	–	16 220

* IFRS 7 disclosures relate to loans and advances, and exclude the impact of repossessed vehicles on hand and ceded insurance contract liabilities.

** Comparatives have been restated to exclude financial assets and liabilities for which fair value disclosures are not required as their carrying value is a reasonable approximation of fair value, and to ensure consistent presentation of fair value categories with the current year.

2020**

Carrying value Rm	Total fair value Rm	Level 1 Rm	Level 2 Rm	Level 3 Rm
11 445	11 436	–	–	11 436
2 520	2 520	–	–	2 520
13 965	13 956	–	–	13 956
14 639	14 858	–	–	14 858
441	351	–	–	351
14 198	14 507	–	–	14 507
14 639	14 858	–	–	14 858

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS *continued***6 Financial risk management continued****6.1 FAIR VALUE DISCLOSURE continued****VALUATION METHODS AND ASSUMPTIONS:**

Loans and advances for premium vehicles entered into at variable interest rates approximate fair value as the estimated future cash flows are already considered in the expected loss model. The fair value of loans and advances for premium vehicles at fixed interest rates, which is a small component of the loan book, is determined by adjusting the discount rate from the effective interest rate of the contract to a current effective lending rate. Loans and advances for entry-level vehicles and shortfalls are carried at fair value.

Purchased book debt is held at amortised cost. The balance at year end is calculated based on expected future cash flows, which are adjusted for risk as historical cash flows are taken into account to predict forecasted cash flows. The fair value of purchased book debt is determined by adjusting the discount rate from the credit-adjusted effective interest rate to a current market related discount rate and adjusting the expected cash flows for risk, therefore the carrying value approximates the fair value.

The fair value of interest-bearing liabilities is calculated based on future cash flows, discounted using a forward rate curve plus a valuation margin. The valuation margin is a consensus margin at which deals with similar remaining cash profiles could be secured in the market at the valuation date.

The carrying value of trade and other receivables, cash and cash equivalents, trade and other payables, bank overdrafts and other short-term borrowings approximates fair value as they are short-term in nature and not subject to material changes in credit risk and fair value.

6.2 LEVEL DISCLOSURE

	Level 1 Audited Rm	Level 2 Audited Rm	Level 3 Audited Rm	Total Audited Rm
2021				
Financial assets at fair value through profit and loss				
Loans and advances: entry-level vehicles	–	–	17	17
Loans and advances: shortfall book	–	–	25	25
Other financial assets	–	–	296	296
Derivatives*	–	13	–	13
Financial assets at fair value through other comprehensive income				
Derivatives*	–	88	–	88
TOTAL FINANCIAL ASSETS	–	101	338	439
Financial liabilities at fair value through profit and loss				
Derivatives*	–	4	–	4
Contingent consideration**	–	–	142	142
Financial liabilities at fair value through other comprehensive income				
Derivatives*	–	53	–	53
TOTAL FINANCIAL LIABILITIES	–	57	142	199
2020				
Financial assets at fair value through profit and loss				
Loans and advances: entry-level vehicles	–	–	17	17
Other financial assets	–	–	170	170
Derivatives*	–	24	–	24
Financial assets at fair value through other comprehensive income				
Derivatives*	–	348	–	348
TOTAL FINANCIAL ASSETS	–	372	187	559
Financial liabilities at fair value through profit and loss***				
Derivatives*	–	16	–	16
Financial liabilities at fair value through other comprehensive income				
Derivatives*	–	19	–	19
TOTAL FINANCIAL LIABILITIES	–	35	–	35

* The group enters into derivative financial instruments with respective counterparties. Interest rate swaps and cross-currency swaps are valued using valuation techniques, which employ the use of market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models using present value calculations. The models incorporate various inputs including the foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies and interest rate curves.

** The contingent consideration relates to the investments into the WBC group and the Prushka group of entities. Refer to notes 7.1 and 7.2.

*** Comparative information has been restated to exclude liabilities at amortised cost inadvertently shown as liabilities at fair value through profit and loss in the prior year.

6 Financial risk management continued

6.2 LEVEL DISCLOSURE continued

VALUATION METHODS AND ASSUMPTIONS:

Loans and advances for entry-level vehicles: The fair value was calculated using an expected income approach (estimating and discounting future cash flow) as well as the average collateral value. These represent the significant unobservable parameters applied in the fair value model. The expected cash flows were estimated using a lifetime expected loss model which is consistent with the IFRS 9 provision methodology. The expected cash flows were then discounted at the market related discount rate of 25% to yield a fair value of the total loans and advances for entry-level vehicles. The outbreak of COVID-19 has had no impact on the average collateral values applied.

Loans and advances for the shortfall book: The fair value is based on the valuation reports received from potential debt collection agents as the value will only be recovered through a sales transaction.

Other financial assets: The valuation of other financial assets is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. These represent the significant unobservable parameters applied in the fair value model. The group estimates the expected cash flows by considering all the contractual terms of the financial instrument. The discount rate applied to the expected future cash flows reflects specific risk premiums relating to the asset. This includes government risk, single project customer, no previous experience with client and small stock premium for valuations less than R250 million. The discount rate applied to the additional purchase price is based on the current South African prime interest rate.

Derivatives: The group enters into derivative financial instruments with respective counterparties. Interest rate swaps and cross-currency swaps are valued using valuation techniques which employ the use of market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models using present value calculations. The models incorporate various inputs including foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies and interest rate curves.

RECONCILIATION OF LEVEL 3 FAIR VALUE MEASUREMENTS OF FINANCIAL ASSETS AND LIABILITIES

	Fair value through profit or loss Rm	Fair value through other comprehensive income Rm	Total Rm
2021			
Financial assets			
Opening balance	187	–	187
Total gains or losses			
In profit or loss	46	–	46
Other movements*	105	–	105
CLOSING BALANCE OF FAIR VALUE MEASUREMENT FOR FINANCIAL ASSETS	338	–	338
Financial liabilities			
Total gains or losses			
Other movements*	142	–	142
CLOSING BALANCE OF FAIR VALUE MEASUREMENT FOR FINANCIAL LIABILITIES	142	–	142

	Fair value through profit or loss Audited Rm	Fair value through other comprehensive income Audited Rm	Total Audited Rm
2020			
Opening balance	118	–	118
Total gains or losses			
In profit or loss	(18)	–	(18)
Other movements*	87	–	87
CLOSING BALANCE OF FAIR VALUE MEASUREMENT	187	–	187

* Other movements include the following:

- Charges on accounts less collections received and write-offs on loans for entry-level vehicles as well as movements in other financial assets.
- The recognition of contingent liabilities resulting from business combinations in terms of IFRS 3: Business Combinations.

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS *continued*

6 Financial risk management continued

6.2 LEVEL DISCLOSURE *continued*

SENSITIVITY ANALYSIS OF VALUATIONS USING UNOBSERVABLE INPUTS

As part of the group's risk management processes, stress tests are applied to the significant unobservable parameters to generate a range of potentially possible alternative valuations. The financial instruments that are most impacted by this sensitivity analysis are those with more illiquid and/or structured portfolios. The stresses are applied independently and do not take account of any cross-correlation between separate asset classes that would reduce the overall effect on the valuations. A significant parameter has been deemed to be one which may result in a change in the fair value of the asset or liability of more than 10%. This is demonstrated by the following sensitivity analysis, which includes a reasonable range of possible outcomes.

Movement in fair value given the 10% change in significant assumptions.

	2021		2020	
	10% Favourable Audited Rm	10% Unfavourable Audited Rm	10% Favourable Audited Rm	10% Unfavourable Audited Rm
Loans and advances: entry-level vehicles				
Significant unobservable input and description of assumption				
Average collateral value	1	<1	1	(1)
Discount rate: the rate used to discount projected future cash flows to present value	<1	<1	<1	<1
TOTAL	1	-	1	(1)

	2021		2020	
	10% Favourable Audited Rm	10% Unfavourable Audited Rm	10% Favourable Audited Rm	10% Unfavourable Audited Rm
Loans and advances: shortfall book*				
Significant unobservable input and description of assumption				
Cent in the rand	(3)	3	-	-
TOTAL	(3)	3	-	-

* The fair value is based on the valuation reports received from potential debt collection agents, as the value will only be recovered through a sales transaction.

	2021		2020	
	10% Favourable Audited Rm	10% Unfavourable Audited Rm	10% Favourable Audited Rm	10% Unfavourable Audited Rm
Other financial assets				
Significant unobservable input and description of assumption				
Cash flows: change in the expected revenue	8	(11)	9	(9)
Cash flows: change in expected costs	1	(1)	1	(1)
Discount rate: the rate used to discount projected future cash flows to present value	4	(4)	4	(4)
TOTAL	13	(16)	14	(14)

	2021		2020	
	10% Favourable Audited Rm	10% Unfavourable Audited Rm	10% Favourable Audited Rm	10% Unfavourable Audited Rm
Contingent consideration				
Significant unobservable input and description of assumption				
Cash flows: change in the earnings growth on which the contingent consideration is based	19	(19)	-	-
TOTAL	19	(19)	-	-

Amounts less than R500 000 are reflected as "<1"

7 Business combinations

SUBSIDIARIES ACQUIRED

Subsidiary	Acquirer	Principal activity	Date of acquisition	Proportion of voting equity interests held %	Consideration transferred Rm
WBC Holdings (Pty) Ltd (WBC Holdings) (Refer to note 7.1)	Transaction Capital Motor Holdco (Pty) Ltd (TCMH)	Buying and selling of second-hand motor vehicles	03/08/2021	74.9	1 751*
Prushka group of entities (Refer to 7.2)	Recoveries Corporation Holdings (Pty) Ltd (Recoveries Corp)	Debt recovery	30/09/2021	100	109
Botha and Sutherland Inc (Botha & Sutherland) (Refer to 7.3)	Transaction Capital Recoveries (Pty) Ltd (TCR)	Legal firm	31/08/2021	n/a	22

* This is the consideration for the purchase of the additional 25% investment in the WBC group in the current year.

7.1 ACQUISITION OF WBC HOLDINGS (PTY) LTD

TCMH, a wholly owned subsidiary of Transaction Capital Limited, acquired 74.9% of the issued shares of WBC Holdings on 3 August 2021. The Transaction Capital Limited group holds an effective 74.2% shareholding in WBC Holdings due to minority shareholdings in TCMH. The acquisition was concluded through a subscription agreement and a sale agreement which enabled TCMH to:

- ▶ subscribe for shares in WBC Holdings and acquire shares from certain of the then existing minority shareholders in WBC Holdings; and
- ▶ exchange the 49.9% shareholding that TCMH previously held in We Buy Cars (Pty) Ltd for newly issued shares in WBC Holdings. The investment in We Buy Cars (Pty) Ltd was classified as an investment in associate until 2 August 2021 when TCMH acquired the controlling stake in WBC Holdings. Refer to note 1.2 for the derecognition of the previously held investment in We Buy Cars (Pty) Ltd.

The WBC group is a business with exceptional growth prospects and is a leader in the market segment. The acquisition allows the group to consolidate a greater proportion of the WBC group's high-growth earnings, enhancing the group's future value and earnings growth trajectory.

7.1.1 CONSIDERATION FOR IFRS 3 PURPOSES

	2021 Audited Rm
Consideration to be paid in cash on 5 October 2021	870
Fair value of consideration to be settled in Transaction Capital Limited ordinary shares on 5 October 2021 (refer to 7.1.1.1)	386
Consideration to be settled through vendor finance on 5 October 2021 (refer to 7.1.1.2)	363
Contingent consideration (refer to 7.1.1.3)	132
TOTAL CONSIDERATION	1 751

7.1.1.1 10 526 972 ordinary shares in Transaction Capital Limited were issued to WBC Holdings and the previous minority shareholders on 5 October 2021:

- ▶ 5 347 933 shares were issued to WBC Holdings valued at the suspensive condition fulfilment date 30-day VWAP of R37.54; and
- ▶ 5 179 039 shares were issued to the previous minority shareholders of WBC Holdings valued at an agreed share price in terms of the sale agreement of R30.

The amount of the consideration raised at 30 September 2021 represents the fair value of the Transaction Capital Limited consideration shares on the date of the business combination, being 3 August 2021. At 30 September 2021, this amount has been recognised in an equity reserve for the forward contract to issue Transaction Capital Limited shares.

7.1.1.2 8 000 class B preference shares were issued by TCMH to the previous minority shareholders of WBC Holdings on 5 October 2021. The preference shares will bear interest, which is payable semi-annually (on 31 May and 30 November). The preference shares have a mandatory redemption date of 5 October 2031, although TCMH may voluntarily redeem the preference shares before this time. The preference shareholders hold a put option to sell all the preference shares which have not been redeemed to Transaction Capital in respect of 50% of shares after the first anniversary of the issue date and the remaining shares after the second anniversary of the issue date.

7.1.1.3 This represents the fair value of the contingent consideration which is determined with reference to the WBC group's expected profit after tax for the 2022 financial year. The fair value of the contingent consideration has been calculated based on expected year-on-year growth of the profit after tax from the 2021 financial year to the 2022 financial year. Management estimates, based on the WBC group profit projections at acquisition date, that the fair value of the contingent consideration is R132 million. Management has stress tested the amount that Transaction Capital could be required to pay under the contingent consideration arrangement based on the latest WBC group profit projections, and estimates the potential undiscounted cash outflow to be between R67 million and R153 million. The contingent consideration will be settled in cash in during the 2023 financial year.

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS *continued***7 Business combinations continued****7.1 ACQUISITION OF WBC HOLDINGS (PTY) LTD *continued*****7.1.2 ASSETS ACQUIRED AND LIABILITIES RECOGNISED AT THE DATE OF ACQUISITION**

	2021 Audited Rm
Current assets	
Cash and cash equivalents	98
Trade and other receivables	208
Inventories	724
Non-current assets	
Other investments	351
Property, plant and equipment	697
Intangible assets	1 767
Deferred taxation	12
Current liabilities	
Tax payables	(68)
Trade and other payables	(218)
Provisions	(14)
Interest bearing liabilities	(141)
Lease liabilities	(12)
Non-current liabilities	
Interest bearing liabilities	(607)
Lease liabilities	(33)
Deferred taxation	(494)
NET ASSETS ACQUIRED AND LIABILITIES RECOGNISED	2 270

The initial accounting for the acquisition of WBC Holdings has been provisionally determined at the end of the financial year.

The receivables acquired in this transaction have a fair value of R208 million. The receivables acquired principally comprise trade receivables, deposits relating to property acquisition transactions. The gross contractual value of trade receivables is R11.5 million, with R1 million not expected to be collected. The gross remaining receivables of R94 million have no contractual cash flows that are not expected to be collected.

7.1.3 GOODWILL ARISING ON ACQUISITION

	2021 Audited Rm
Consideration for IFRS 3 purposes	1 751
Plus: fair value of previously held investment in associate on date of acquisition of controlling interest	3 482
Less: intangible assets identified from business combinations	(1 058)
Plus: deferred tax on intangible assets identified from business combinations	296
Less: fair value of identifiable net assets recognised	(2 270)
Plus: non-controlling interests in 25.1% of WBC Holdings	761
GOODWILL ARISING ON ACQUISITION	2 962

The consideration transferred for the business combination effectively included amounts in relation to the benefit of expected synergies, revenue growth and future market development and the assembled workforce of the WBC group. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

None of the goodwill arising on this acquisition is expected to be deductible for tax purposes.

The non-controlling interest (25.1% ownership interest in WBC Holdings) recognised at the acquisition date was measured with reference to the proportionate share of WBC Holdings identifiable net assets of R3 032 million and amounted to R761 million.

7 Business combinations continued

7.1 ACQUISITION OF WBC HOLDINGS (PTY) LTD continued

7.1.4 NET CASH OUTFLOW ON ACQUISITION OF SUBSIDIARY

	2021 Audited Rm
Consideration to be paid in cash on 5 October 2021 *	870
Less: cash and cash equivalents balance acquired	(98)
NET CASH OUTFLOW FROM THE TRANSACTION	772
Less amount payable as at 30 September 2021 *	(870)
ACTUAL CASH FLOW FROM THE TRANSACTION AT 30 SEPTEMBER 2021	(98)

* No consideration in cash has been settled in relation to the WBC Holdings acquisition at 30 September 2021. The cash consideration was settled on 5 October 2021.

Acquisition-related costs included in profit and loss amount to R6 million.

7.1.5 IMPACT OF ACQUISITION ON THE RESULTS OF THE GROUP

Included in profit attributable to ordinary shareholders of the group for the year ended 30 September 2021 is R84 million attributable to the WBC group since acquisition date. Revenue for the period includes R304 million in respect of the WBC group.

Had the business combination been effected at 1 October 2020, the WBC group would have contributed additional revenue to the group of R1 187 million and additional profit attributable to ordinary equity holders of the group of R106 million. As a result, revenue for the group would have been R7 215 million and profit attributable to ordinary equity holders of the group from continuing operations would have been R2 408 million.

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS *continued***7 Business combinations continued****7.2 ACQUISITION OF PRUSHKA GROUP OF ENTITIES**

Recoveries Corporation Holdings (Pty) Ltd (Recoveries Corporation) acquired 100% of the voting equity in the following three Australian entities on 30 September 2021:

- ▶ Prushka Fast Debt Recovery (Pty) Ltd – specialises in debt recovery;
- ▶ Zurich Capital & Finance – acquisition and administration of purchased debt ledgers; and
- ▶ Mendelsons Lawyers (Pty) Ltd – legal practitioners specialising in debt recovery.

Collectively these are referred to as the Prushka Group of entities, a Melbourne-based business with more than 30 years' track record in its addressable market.

The acquisition offers growth opportunities to the Recoveries Corporation business through:

- ▶ The effective utilisation of Prushka's established legal recoveries platform;
- ▶ Accessing purchased debt ledger (PDL) sectors not currently serviced by Recoveries Corporation; and
- ▶ Entering adjacent contingent collections verticals including the health care and commercial sectors utilising Recoveries Corporation's superior scale and collections technology.

7.2.1 CONSIDERATION FOR IFRS 3 PURPOSES

	2021 Audited Rm
Cash	99
Contingent consideration	10
TOTAL CONSIDERATION	109

7.2.2 ASSETS ACQUIRED AND LIABILITIES RECOGNISED AT THE DATE OF ACQUISITION

	2021 Audited Rm
Current assets	
Trade and other receivables	10
Non-current assets	
Purchased book debts	71
Property, plant and equipment	2
Deferred tax	7
Current liabilities	
Trade and other payables	(5)
Provisions	(16)
Lease liabilities	(7)
NET ASSETS ACQUIRED AND LIABILITIES RECOGNISED	62

The initial accounting for the acquisition of Prushka has been provisionally determined at the end of the financial year.

The receivables acquired in this transaction have a fair value of R10 million. The receivables acquired principally comprise trade receivables with a gross contractual amount of R11 million, with R1 million not expected to be collected.

7 Business combinations continued

7.2 ACQUISITION OF PRUSHKA GROUP OF ENTITIES continued

7.2.3 GOODWILL ARISING ON ACQUISITION

	2021 Audited Rm
CONSIDERATION FOR IFRS 3 PURPOSES	109
Less: fair value of identifiable net assets recognised	(62)
GOODWILL ARISING ON ACQUISITION	47

The consideration transferred for the business combination included amounts in relation to the benefit of expected cost and technology synergies, revenue growth, future market development and the complementary skills within the assembled workforce of the Prushka Group. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

The net present value of the contingent purchase consideration recognised on acquisition amounts to R10 million, and relates to the vendor's right to participate in future collections performance of the acquired PDL. In order to earn the contingent consideration, collections from the acquired PDL need to exceed cumulative collection thresholds agreed on with the vendor. The first instalment under the contingent purchase consideration agreement would be payable in the 2024 financial year, and thereafter annually contingent on the cumulative excess collection targets being exceeded. The contingent consideration agreement is not limited in time or maximum consideration. This consideration was estimated by reference to the acquired PDL's past collections performance relative to the agreed excess collection thresholds, considering a range of possible outcomes.

7.2.4 NET CASH OUTFLOW ON ACQUISITION OF SUBSIDIARY

	2021 Audited Rm
Consideration paid in cash	99
Less: cash and cash equivalents balance acquired	-
NET CASH FLOW	99

7.2.5 IMPACT OF ACQUISITION ON THE RESULTS OF THE GROUP

The Prushka acquisition took place on 30 September 2021, therefore no revenue has been recognised by the group in respect of Prushka.

Had the business combination been effected at 1 October 2020, Prushka would have contributed additional revenue to the group of R107 million and additional profit attributable to ordinary equity holders of the group of R12 million. As a result, revenue for the group would have been R6 135 million and profit attributable to ordinary equity holders of the group from continuing operations would have been R2 314 million.

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS *continued***7 Business combinations continued****7.3 ACQUISITION OF BOTHA AND SUTHERLAND INC**

Transaction Capital Recoveries Pty Ltd entered into an agreement to obtain all the assets and liabilities of Botha and Sutherland Inc (Botha & Sutherland) with the effective date of 1 September 2021. Botha & Sutherland is a legal debt collection firm specialising in insurance law. The acquisition will assist in growing the group's footprint within the insurance sector.

7.3.1 CONSIDERATION FOR IFRS 3 PURPOSES

	2021 Audited Rm
Cash	22
TOTAL CONSIDERATION	22

7.3.2 ASSETS ACQUIRED AND LIABILITIES RECOGNISED AT THE DATE OF ACQUISITION

	2021 Audited Rm
Current assets	
Trade and other receivables	5
Non-current assets	
Intangible assets	1
Current liabilities	
Trade and other payables	(8)
NET LIABILITIES ACQUIRED AND RECOGNISED	(2)

The initial accounting for the acquisition of Botha & Sutherland has been provisionally determined at the end of the financial year.

The receivables acquired in this transaction have a fair value of R5 million. The receivables acquired principally comprise trade receivables with a gross contractual amount of R5 million with no contractual cash flows not expected not to be collected.

7.3.3 GOODWILL ARISING ON ACQUISITION

	2021 Audited Rm
Consideration for IFRS 3 purposes	22
Less: fair value of identifiable net liabilities recognised	2
GOODWILL ARISING ON ACQUISITION	24

7.3.4 NET CASH OUTFLOW ON ACQUISITION OF SUBSIDIARY

	2021 Audited Rm
Consideration paid in cash	22
Less: cash and cash equivalents balance acquired	-
NET CASHFLOW	22

The consideration transferred for the business combination included amounts in relation to the benefit of expected cost synergies, revenue growth and future market development. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

7.3.5 IMPACT OF ACQUISITION ON THE RESULTS OF THE GROUP

The Botha & Sutherland acquisition took place just before year end, and the revenue and profit contribution to the group for the year ended 30 September 2021 is negligible.

Had the business combination been effected at 1 October 2020, Botha & Sutherland would have contributed additional revenue to the group of R2 million and additional profit of R1 million attributable to ordinary equity holders of the group. As a result, revenue for the group would have been R6 030 million and profit from continuing operations attributable to ordinary equity holders of the group would have been R2 304 million.

7 Business combinations continued

7.4 GOODWILL

The movement of goodwill during the year is analysed as follows:

	2021 Audited Rm	2020 Restated* Rm
Balance at the beginning of the year	1 365	1 152
Impairment expense	(5)	(3)
Additions recognised from business combinations:	3 033	156
WBC Holdings (Pty) Ltd	2 962	–
Prushka group of entities	47	–
Botha and Sutherland (Pty) Ltd	24	–
Net1 Fihrst Holdings (Pty) Ltd*	–	156
Disposal of subsidiary	–	(5)
Effect of foreign currency exchange differences	(40)	65
CARRYING VALUE AT THE END OF THE YEAR	4 353	1 365

* In terms of IFRS 3: Business Combinations, the provisional accounting applied to the acquisition of Net1 Fihrst Holdings (Pty) Ltd, was finalised during the current financial year. As a result, the intangible assets identified from the business combination were reduced by R14 million, the related deferred tax liability was reduced by R3 million and goodwill increased by R11 million. The impact on the statement of comprehensive income is negligible. Comparative information has been restated accordingly.

8 Segment report

The group is organised on the basis of products and services and the segments have been identified on this basis as reported to the chief executive officer (considered the chief operating decision-maker). The principal business units in the group are as follows:

SA TAXI

- ▶ A vertically integrated taxi platform incorporating a unique blend of vehicle procurement, retail, repossession and refurbishment capabilities with asset-backed developmental finance and insurance competencies for focused vehicle types.
- ▶ Revenue is mainly derived from interest earned on financing of vehicles and non-interest revenue streams, including revenue from the sale of vehicles, telematics services and insurance products.
- ▶ The composition of reportable segments changed during the current financial year. Value-Added Services (Road Cover), previously reported as part of the Transaction Capital Risk Services segment, is now reported as part of the SA Taxi segment. Comparative data has been restated accordingly. Value-Added Services generates a stable source of subscription income, whilst providing access to greater market depth. SA Taxi has the potential to unlock further value through synergies with Road Cover to be realised from cost efficiencies and revenue uplift, gaining access to SA Taxi's client base.

TRANSACTION CAPITAL RISK SERVICES

- ▶ Transaction Capital Risk Services acts both as an agent on an outsourced contingency or fee-for-service (FFS) basis, and as a principal in acquiring and then collecting on credit-impaired loan portfolios.
- ▶ Revenue from credit-impaired loans comprises payments received from debtors.

TCRS, through the TCTS platform, also provides payment solutions, collection services and payroll-related services to large corporate clients and SMEs.

Transaction Capital Business Solutions (TCBS), Principa Decisions (Principa) and Company Unique Finance (CUF) were classified as discontinued operations during the previous financial year. Principa and CUF were disposed in the prior year.

WEBUYCARS

- ▶ TCMH holds a 74.9% non-controlling interest in the WBC group. TCMH previously held a 49.9% non-controlling interest in We Buy Cars (Pty) Ltd which was accounted for as an associate for the period from 1 October 2020 to 2 August 2021 prior to acquisition of the controlling interest. Refer to notes 1 and 7.1.
- ▶ Buyer, distributor and retailer of vehicles, which also offers financial and other allied products.
- ▶ Revenue mainly comprises gross margin on vehicle sales (vehicle margin), with additional gross margin earned on add-on products (product margin). The latter includes agency fees earned from finance, insurance related and allied products (F&I products) sold on behalf of major banks providing asset-backed and unsecured vehicle finance, leading insurance providers, and vehicle tracking businesses.

GROUP EXECUTIVE OFFICE

- ▶ The group executive office provides an efficient capital management and treasury function for entities within the group, in addition to administrative and management services.
- ▶ Revenue mainly comprises interest income and management fees from subsidiaries, the majority of which is eliminated on group consolidation.
- ▶ The numbers presented in the group executive office segment exclude group consolidation entries.

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS *continued*

8 Segment report continued

	SA Taxi*		Transaction Capital Risk Services*	
	2021 Audited Rm	2020 Audited Restated* Rm	2021 Audited Rm	2020 Audited Restated* Rm
Summarised income statement				
Net interest income/(expense)	1 580	1 358	(172)	(158)
Impairment of loans and advances	(563)	(836)	–	–
Non-interest revenue	668	686	2 391	2 308
Operating costs	(1 125)	(901)	(1 788)	(2 129)
Non-operating profit	–	–	–	–
Equity accounted income/(loss)	–	–	5	9
PROFIT BEFORE TAX	560	307	436	30
PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS	413	237	303	22
DISCONTINUED OPERATIONS				
Loss for the period from discontinued operations	–	–	(12)	(87)
PROFIT FOR THE YEAR	413	237	291	(65)

* Restated for a change in the composition of reportable segments per IFRS 8 – Segment Reporting.

** Profit for the year from VveBuyCars comprises the items in the table below.

*** Group executive office numbers are presented net of recoveries and intergroup dividends.

	2021 Audited Rm	2020 Audited Rm
Share of equity accounted earnings after tax****	215	10
Consolidated operating profit for the WBC group (3 August 2021 to 30 September 2021)	112	–
Share of mark-to-market of 16 467 000 Transaction Capital ordinary shares	–	5
Mark-to-market of derivative liability	(6)	5
Fair value gain on previously held interest	1 417	–
Interest expense on preference share liability (vendor finance) and deferred consideration	(18)	(1)
Transaction costs relating to the acquisition of the controlling interest in the WBC group	(6)	–
Amortisation of intangible assets acquired in business combination	(2)	–
PROFIT BEFORE TAX	1 712	19

**** Refer to note 1 for the share of the equity accounted earnings after tax.

	WeBuyCars**		Group executive office***		Intergroup eliminations		Group	
	2021 Audited Rm	2020 Audited Rm	2021 Audited Rm	2020 Audited Rm	2021 Audited Rm	2020 Audited Rm	2021 Audited Rm	2020 Audited Rm
	(24)	(1)	47	65	-	-	1 431	1 264
	-	-	-	-	-	-	(563)	(836)
	295	-	22	4	(11)	(11)	3 365	2 987
	(149)	-	(71)	(64)	11	11	(3 122)	(3 083)
	1 417	5	2	-	-	-	1 419	5
	215	15	(7)	8	-	-	213	32
	1 754	19	(7)	13	-	-	2 743	369
	1 712	19	(10)	12	-	-	2 418	290
	-	-	-	-	-	-	(12)	(87)
	1 712	19	(10)	12	-	-	2 406	203

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS *continued*

8 Segment report continued

	SA Taxi*		Transaction Capital Risk Services*	
	2021 Audited Rm	2020 Audited Restated* Rm	2021 Audited Rm	2020 Audited Restated** Rm
Summarised statement of financial position				
Assets				
Cash and cash equivalents	1 054	1 436	176	321
Trade and other receivables	1 035	1 203	249	317
Inventories	1 577	1 030	2	2
Loans and advances	13 305	11 545	–	–
Purchased book debts	–	–	3 441	2 520
Equity accounted investments	–	–	81	94
Other assets	1 122	1 262	1 503	1 694
TOTAL ASSETS	18 093	16 476	5 452	4 948
Liabilities				
Bank overdrafts	183	186	131	201
Trade and other payables	520	318	304	252
Insurance contract liabilities	271	374	–	–
Interest-bearing liabilities	13 536	12 334	2 506	2 222
Senior debt	12 284	11 435	2 024	1 893
Subordinated debt	790	745	–	–
Group loans	462	154	482	329
Lease liabilities	171	172	199	245
Other liabilities	221	217	547	460
TOTAL LIABILITIES	14 902	13 601	3 687	3 380
TOTAL EQUITY	3 191	2 875	1 765	1 568

* Restated for a change in the composition of the SA Taxi and TCRS reportable segments per IFRS 8 – Segment Reporting.

** Restated for a change in the composition of reportable segments per IFRS 8 – Segment Reporting, and for the adjustments resulting from the finalisation of the provisional accounting for the Net1 Fihirst acquisition.

*** Restated for the finalisation of the provisional accounting for the Net1 Fihirst acquisition.

WeBuyCars		Group executive office		Intergroup eliminations*		Group	
2021 Audited Rm	2020 Audited Rm	2021 Audited Rm	2020 Audited Rm	2021 Audited Rm	2020 Audited Restated* Rm	2021 Audited Rm	2020 Audited Restated*** Rm
165	–	841	37	–	–	2 236	1 794
232	–	11	17	(50)	(15)	1 477	1 522
898	–	–	–	–	–	2 477	1 032
–	–	–	–	–	–	13 305	11 545
–	–	–	–	–	–	3 441	2 520
–	1 875	220	184	–	–	301	2 153
6 499	–	5 505	3 751	(5 435)	(3 719)	9 194	2 988
7 794	1 875	6 577	3 989	(5 485)	(3 734)	32 431	23 554
–	–	50	–	–	–	364	387
2 001	54	912	75	(1 278)	(13)	2 459	686
–	–	–	–	–	–	271	374
865	350	273	216	(1 041)	(483)	16 139	14 639
768	350	273	216	–	–	15 349	13 894
–	–	–	–	–	–	790	745
97	–	–	–	(1 041)	(483)	–	–
44	–	6	–	–	–	420	417
864	–	5	2	(4)	(1)	1 633	678
3 774	404	1 246	293	(2 323)	(497)	21 286	17 181
4 020	1 471	5 331	3 696	(3 162)	(3 237)	11 145	6 373

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS *continued***8 Segment report continued****GEOGRAPHICAL INFORMATION**

The group operated in three principal geographical areas – South Africa, Australia and Europe. The group's total revenue by location and non-current assets by location are detailed below:

	Total revenue		Non-current assets	
	2021 Audited Rm	2020 Audited Rm	2021 Audited Rm	2020 Audited Rm
South Africa	5 421	4 744	24 861	18 062
Australia	607	798	1 053	931
Europe	–	–	220	184
TOTAL	6 028	5 542	26 134	19 177

9 Subsequent events

9.1 On 5 October 2021, Transaction Capital settled the consideration which was payable for the acquisition of the additional 25% interest in the WBC group. The consideration was settled through the payment of R870 million in cash, the issue of 10 526 972 ordinary shares in Transaction Capital Limited, and vendor financing provided of R363 million. A contingent consideration fairly valued at R132 million will be settled during the 2023 financial year. Refer to note 7.1.

On the same day a put option in favour of the WBC Holdings minority shareholders and a call option in favour of TCMH became unconditional, which if exercised could result in TCMH acquiring, in various increments and at various intervals, additional shares in WBC Holdings up to a maximum of 25.1% (being all of the shares in WBC Holdings currently held by the minority shareholders) and which, if implemented in full, will result in WBC Holdings becoming a wholly owned subsidiary of the group.

9.2 No other events which would have a material impact on either the financial position or operating results of the company have taken place between 30 September 2021 and the date of release of this report.

FORM OF PROXY

TRANSACTION CAPITAL LIMITED

(Incorporated in the Republic of South Africa)
 Registration number: 2002/031730/06
 JSE code: TCP ISIN: ZAE000167391
 ('Transaction Capital' or the 'company' or the 'group')

For use by certificated shareholders and own-name dematerialised shareholders only. All other dematerialised shareholders must contact their the CSDP, broker, banker, accountant, attorney or other agent to make the relevant arrangements concerning voting and/or attendance at the annual general meeting.

I/We (Full names in BLOCK LETTERS) _____

of (address in BLOCK LETTERS) _____

being (a) registered shareholder(s) of the company holding _____ ordinary shares in the company hereby appoint:

(i) (full names in BLOCK LETTERS) _____

of (address in BLOCK LETTERS) _____ or, failing him/her,

(ii) (full names in BLOCK LETTERS) _____

of (address in BLOCK LETTERS) _____

or, failing her/him, the chairman of the annual general meeting, as my/our proxy to participate in, speak and vote for me/us and on my/our behalf at the annual general meeting of the company to be conducted entirely by electronic communication on Thursday, 10 March 2022, and at any adjournment(s) thereof, and to vote or abstain from voting on the ordinary and special resolutions to be proposed at such meeting as follows:

RESOLUTIONS

	In favour	Against	Abstain
Ordinary resolution number 1 – Re-election of K Pillay as a director			
Ordinary resolution number 2 – Re-election of S Wapnick as a director			
Ordinary resolution number 3 – Re-election of S Kana as a director			
Ordinary resolution number 4 – Election of A Kekana as a director			
Ordinary resolution number 5 – Appointment of D Radley as a member and chairperson of the audit committee			
Ordinary resolution number 6 – Appointment of B Hanise as a member of the audit committee			
Ordinary resolution number 7 – Appointment of I Kirk as a member of the audit committee			
Ordinary resolution number 8 – Appointment of S Kana as a member of the audit committee			
Ordinary resolution number 9 – Appointment of Deloitte & Touche as auditors			
Ordinary resolution number 10 – Non-binding advisory vote on remuneration policy			
Ordinary resolution number 11 – Non-binding advisory vote on remuneration implementation report			
Ordinary resolution number 12 – Issue of securities for acquisitions in circumstances other than those covered by special resolution 5			
Ordinary resolution number 13 – Authority to act			
Special resolution number 1 – Approval of non-executive directors' and committee members' fees			
Special resolution number 2 – Authority to provide financial assistance in terms of section 44 of the Companies Act			
Special resolution number 3 – Authority to provide financial assistance in terms of section 45 of the Companies Act			
Special resolution number 4 – Annual general authority to repurchase securities			
Special resolution number 5 – Annual general authority to allot and issue authorised but unissued securities for cash			

Please indicate with an 'x' in the appropriate spaces above how you wish your votes and/or abstentions to be cast.

If you return this form duly signed without any specific directions indicated with an 'x' in the appropriate spaces above, the proxy will be entitled to vote or abstain as she/he thinks fit at her/his discretion.

A proxy may not delegate her/his authority to act on your behalf to another person.

Signed at _____ on _____ 2022

Name in BLOCK LETTERS: _____ Signature: _____

Please refer to the notes overleaf for instructions on the use of this form of proxy and a summary of the rights of the shareholder and the proxy.

NOTES TO THE FORM OF PROXY

(Including a summary of rights in terms of section 58 of the Companies Act of South Africa, No. 71 of 2008, as amended (the 'Companies Act'))

IN TERMS OF SECTION 58 OF THE COMPANIES ACT:

- 1.1 A shareholder may, at any time and in accordance with the provisions of section 58 of the Companies Act, appoint any individual (including an individual who is not a shareholder) as a proxy to participate in, and speak and vote at the annual general meeting on behalf of such shareholder (section 58(1)(b));
- 1.2 A proxy may delegate her or his authority to act on behalf of a shareholder to another person, subject to any restriction set out in the instrument appointing such proxy ('Proxy Instrument') (section 58(3)(b)) (but see note 1.6);
- 1.3 Irrespective of the form of the Proxy Instrument:
 - 1.3.1 The appointment of a proxy is suspended at any time and to the extent that the relevant shareholder chooses to act directly and in person in the exercise of any of such shareholder's rights as a shareholder (see note 5) (section 58(4)(a));
 - 1.3.2 Any appointment by a shareholder of a proxy is revocable, unless the Proxy Instrument states otherwise (section 58(4)(b)); and
 - 1.3.3 If an appointment of a proxy is revocable, a shareholder may revoke the proxy appointment by: (i) cancelling it in writing or making a later inconsistent appointment of a proxy and (ii) delivering a copy of the revocation instrument to the proxy and to the company (section 58(4)(c)).
- 1.4 A proxy appointed by a shareholder is entitled to exercise, or abstain from exercising, any voting right of such shareholder without direction, except to the extent that the company's memorandum of incorporation, or the Proxy Instrument, provides otherwise (section 58(7)) (see note 3).
- 1.5 The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the shareholder as of the later of the date stated in the revocation instrument, if any, or the date on which the revocation instrument was delivered as contemplated in paragraph 1.3.3 above (section 58(5));
- 1.6 If the Proxy Instrument has been delivered to a company, as long as that appointment remains in effect, any notice required by the Companies Act or the company's memorandum of incorporation to be delivered by the company to the shareholder must be delivered by the company to the shareholder (section 58(6)(a)), or the proxy or proxies, if the shareholder has directed the company to do so in writing and paid any reasonable fee charged by the company for doing so (section 58(6)(b));
- 1.7 If the company issues an invitation to shareholders to appoint one or more persons named by the company as a proxy, or supplies a form of Proxy Instrument:
 - 1.7.1 The invitation must be sent to every shareholder entitled to notice of the annual general meeting at which the proxy is intended to be exercised (section 58(8)(a)); and
 - 1.7.2 The invitation or form of Proxy Instrument supplied by the company must:
 - 1.7.2.1 Bear a reasonably prominent summary of the rights established in section 58 of the Companies Act (section 58(8)(b)(i));
 - 1.7.2.2 Contain adequate blank space, immediately preceding the name(s) of any person(s) named in it, to enable a shareholder to write the name, and if desired, an alternative name of a proxy chosen by the shareholder (section 58(8)(b)(ii)); and
 - 1.7.2.3 Provide adequate space for the shareholder to indicate whether the appointed proxy is to vote in favour of or against any resolution(s) to be put at the annual general meeting, or is to abstain from voting (section 58(8)(b)(iii));
- 1.8 The company must not require that the proxy appointment be made irrevocable (section 58(8)(c)); and
- 1.9 The proxy appointment remains valid only until the end of the annual general meeting at which it was intended to be used, subject to paragraph 1.5 above.

NOTES:

1. Each shareholder is entitled to appoint one proxy (who need not be a shareholder of Transaction Capital) to attend, speak and vote (or abstain from voting) in place of that shareholder at the annual general meeting.
2. A shareholder may insert the name of a proxy or the names of two alternative proxies of the shareholder's choice (in the event that the appointed proxy is unable to act) in the space(s) provided with or without deleting "the chairman of the annual general meeting", but the shareholder must initial any such deletion. The person whose name appears first on this form of proxy and who is present at the annual general meeting will be entitled to act as proxy to the exclusion of those whose names follow, it being recorded that the memorandum of incorporation of the company prohibits a shareholder from appointing more than one (1) proxy.
3. A shareholder's instructions to the proxy must be indicated by the insertion of the relevant number of votes exercisable by the shareholder in the appropriate space provided.
4. Failure to comply with the above will be deemed to authorise and direct the chairman of the annual general meeting, if the chairman is the authorised proxy, to vote in favour of the resolutions, or the proxy to vote or abstain from voting at the annual general meeting as he/she deems fit, in respect of all the shareholder's votes exercisable at the annual general meeting.
5. Completed forms of proxy and the authority (if any) under which they are signed should be (but are not required to be) lodged with or posted to the transfer secretaries: Computershare Investor Services Proprietary Limited, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 (Private Bag X9000, Saxonwold, 2132) to be received preferably by no later than 09:00 on Tuesday, 8 March 2022 (48 hours prior to the annual general meeting) to allow for processing of such proxies and the orderly arrangement of matters on the date of the annual general meeting, or handed to the chairman of the annual general meeting at any time before the appointed proxy exercise(s) any of the relevant shareholder's rights at the annual general meeting (or at any time before any adjournment or postponement of the annual general meeting).
6. The completion and lodging of this form of proxy will not preclude the relevant shareholder from attending the annual general meeting and speaking and voting in person thereat to the exclusion of the proxy appointed in terms hereof, should such shareholder wish to do so.
7. The chairman of the annual general meeting may accept or reject any form of proxy not completed and/or received in accordance with these notes or with the memorandum of incorporation of the company.
8. Any alteration or correction made to this form of proxy must be initialled by the signatory(ies). Any insertion, deletion, alteration or correction made to the form of proxy but not complying with the foregoing will be deemed not to have been validly effected.
9. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity (e.g. for a company, close corporation, trust, pension fund, deceased estate, etc.) must be attached to this form of proxy, unless previously recorded by Transaction Capital or the transfer secretaries.
10. Section 63(1) of the Companies Act requires that meeting participants provide reasonably satisfactory identification. The company will regard presentation of a participant's original valid driver's licence, identity document or passport to be satisfactory identification.
11. Where this form of proxy is signed under power of attorney, such power of attorney must accompany this form of proxy, unless it has been registered by Transaction Capital or the transfer secretaries or waived by the chairman of the annual general meeting.
12. Where shares are held jointly, all joint shareholders are required to sign this form of proxy.
13. A shareholder who is a minor must be assisted by his/her parent/guardian, unless the relevant documents establishing his/her legal capacity are produced or have been registered by Transaction Capital or the transfer secretaries.
14. Dematerialised shareholders who do not own shares in 'own-name' dematerialised form and who wish to attend the annual general meeting, or to vote by way of proxy, must contact their CSDP representative/agent/manager, broker or nominee who will furnish them with the necessary letter of representation to attend the annual general meeting or to be represented thereat by proxy. This must be done in terms of the agreement between the shareholder and his/her CSDP, broker or nominee.
15. This form of proxy shall be valid at any resumption of an adjourned or postponed annual general meeting to which it relates, although this form of proxy shall not be used at the resumption of an adjourned or postponed annual general meeting if it could not have been used at the annual general meeting from which it was adjourned or postponed for any reason other than it was not lodged timeously for the meeting from which the adjournment took place. This form of proxy shall, in addition to the authority conferred by the Companies Act, except insofar as it provides otherwise, be deemed to confer the power generally to act at the annual general meeting, and subject to any specific direction contained in this form of proxy as to the manner of voting.
16. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the death or mental disorder of the principal or revocation of the proxy or of the authority under which the proxy was executed, provided that no notification in writing of such death, mental disorder, revocation or transfer as aforesaid shall have been received by the transfer secretaries before the commencement of the annual general meeting or adjourned annual general meeting at which the proxy is used.
17. Any proxy appointed in terms of this form of proxy may not delegate his/her authority to act on behalf of the relevant shareholder. In terms of the memorandum of incorporation of the company, unless revoked, an appointment of a proxy pursuant to this form of proxy remains valid for one (1) year from the date upon which it was signed.

ADMINISTRATION

Share code: **TCP**

ISIN: **ZAE000167391**

JSE Limited sector: **Financial Services**

Listing date: **7 June 2012**

Year end: **30 September**

Company registration number: **2002/031730/06**

Country of incorporation: **South Africa**

Directors

EXECUTIVE

Sean Doherty (CFO)

Mark Herskovits (CIO)

David Hurwitz (CEO)

Jonathan Jawno

Michael Mendelowitz

Roberto Rossi

INDEPENDENT NON-EXECUTIVE

Buhle Hanise

Suresh Kana (lead independent director)

Albertinah Kekana

Ian Kirk

Kuben Pillay

Diane Radley

Christopher Seabrooke (chairman)

Sharon Wapnick

Company secretary and registered office

Lisa Lill

342 Jan Smuts Avenue

Hyde Park

Johannesburg, 2196

(PO Box 41888, Craighall, 2024)

JSE sponsor and equity markets broker

Investec Bank Limited

(Registration number 1925/002833/06)

100 Grayston Drive

Sandton, 2196

(PO Box 785700, Sandton, 2146)

Debt 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)

Legal advisers

Edward Nathan Sonnenbergs Inc.

(Registration number 2006/018200/21)

150 West Street

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)

Independent auditors

Deloitte & Touche

(Practice number 902276)

5 Magwa Crescent

Waterfall City, 2090

(Private Bag X6, Gallo Manor, 2052)



www.transactioncapital.co.za