TRANSACTION CAPITAL MISSION STATEMENT



As a listed entity, to extend our track record of high-quality earnings growth, we identify opportunities to leverage our high IP, leading technologies & low-cost operational infrastructure to expand into attractive adjacent market segments, related alternative asset classes & geographic markets.

We identify, assess, develop & partner with entrepreneurial, innovative & experienced founders, owners & managers of businesses, in building & scaling highly competitive, efficient, technology-driven operating platforms, which manage our assets.

Our investment approach emphasizes exhaustive due diligence investigation, data analysis & risk quantification, enabling us to add value to the design & implementation of operational strategy & to ensure that risk is kept within tolerance levels, thereby creating value for shareholders in a unique manner.

TRANSACTION CAPITAL IS Our capital management approach supports the sustainable delivery of growth AN ACTIVE INVESTOR through an optimal balance of equity & debt. IN AND OPERATOR OF CREDIT-ORIENTATED We apply our highly specialised expertise in distressed debt, specialty credit & other **ALTERNATIVE ASSETS** alternative assets to assess, mitigate, MANAGED BY **EXPERIENCED** underwrite & price credit risk, in originating new assets or acquiring existing assets ENTREPRENEURIAL MANAGEMENT **TEAMS** EMPLOYING A RIGOROUS VALUE-LED INVESTMENT We seek an investment outcome that combines attractive risk-adjusted **APPROACH** TO GENERATE interest returns from our asset portfolios. enhanced by capital appreciation **RISK-ADJUSTED INTEREST** in the value of the operating platforms. **RETURNS & CAPITAL APPRECIATION** WHILST Our businesses are deliberately positioned DELIVERING SOCIAL VALUE to deliver shared value, through commercial

returns & meaningful positive social impact.

TRANSACTION CAPITAL BUSINESS MODEL



CAPITAL INPUTS

CAPITAL OUTCOMES

Intellectual capital

Specialist credit risk management skills in alternative asset classes, active strategic intervention & effective capital management

BUSINESS ACTIVITIES

Identify credit-orientated alternative asset classes, in which our core risk & capital management skills provide distinct competitive advantages Apply core skills to assess & mitigate risk, & underwrite & price assets, for the purpose of servicing, originating or acquiring them

Intellectual capital

Market-leading & socially relevant business platforms with scale & resilience, delivering to their above-market growth & return potential

Relationship capital

Partnerships with entrepreneurial founders and high-calibre executives & developing exceptional management teams

As business platforms are established for organic growth, redirect intellectual & financial capacity to identify new opportunities to leverage our IP, technologies & infrastructure to expand into adjacent market segments, related asset classes & new geographic markets to expand our earnings base

Identify, develop & partner with entrepreneurial, innovative & experienced founders & managers of businesses, who are invariably co-invested in the business platforms that manage & de-risk assets

Relationship capital

Exceptional management teams with succession depth, & a culture of ownership innovation & high-performance

Financial & social capital

Effective capital management whereby permanent equity capital is invested, giving debt capital providers access to highly bespoke assets that match their objectives, including measurable social impact

Grow data-driven business platforms to scale, with competitive value propositions, diversified & resilient revenue streams & best-of-breed technology & processing capability to ensure operational effectiveness

Mobilise an optimal balance of equity & debt capital to fund the growth of business platforms & their underlying assets

Financial & social capital

20-year track record of excellent earnings & capital growth to shareholders with safe risk-adjusted returns to debt capital providers & demonstrate social value creation in our sectors

Reputational capital

Mature governance frameworks, highest ethical standards & compliance with all relevant laws, regulations, codes & standards

Reputational capital

Trusted public company, good standing with local & international capital providers, regulators & other shareholders

INVESTMENT CASE

COMPELLING & UNIQUE AS WE EXECUTE ON OUR STRATEGY



TRANSACTION CAPITAL
COMPRISED OF
A **DIVERSIFIED** PORTFOLIO OF
FINANCIAL SERVICES ASSETS

- Two well established, autonomous & unique financial services businesses: SA Taxi & TCRS
- Positioned in attractive market segments occupying leading market positions
- Highly defensive businesses able to withstand difficult economic conditions
- Deep vertical integration enabling application of specialised expertise to mitigate risk, participate in margin
 - & provide a broader service to clients
- Superior data & leading-edge technology & analytics capabilities differentiate our offerings, inform business decisions & mitigate risk
- Via a diversified business model
 - > Unique blend of highly cash generative & capital related businesses
 - > Diversified revenue model across adjacent market segments & geographies

WITH A BESPOKE & ROBUST CAPITAL STRUCTURE INCORPORATING R1 BILLION OF EXCESS CAPITAL

- Conservative equity capital structure to fund organic growth & acquisition activity
- Capital management approach supporting sustainable growth through an optimal balance of debt & equity
- Proven ability to raise debt & equity capital efficiently from diversified range of local & international investors
- Ungeared & debt free at holding company level

ESTABLISHED AS A SCALABLE FINANCIAL SERVICES PLATFORM

- Decentralised businesses that are self-sustaining & sizable in their own right
- Highly competitive, efficient, technology-driven operating platforms, which manage our assets
- For SA Taxi & TCRS to develop new products & expand into new markets
- For Transaction Capital to innovate in introducing new organic & acquisitive growth opportunities

INVESTMENT CASE CONTINUED

COMPELLING & UNIQUE AS WE EXECUTE ON OUR STRATEGY



LED BY AN EXPERIENCED
ENTREPRENEURIAL
OWNER-MANAGER TEAM

- Identify, assess, develop & partner with entrepreneurial, innovative & experienced founders, owners & managers of businesses
- Ownership culture
- Empowered, entrepreneurial, innovative, proven & long-serving leadership
- · Specialised intellectual capital applied over a much smaller asset base than in larger organisations

BUT UNDERPINNED BY A ROBUST GOVERNANCE FRAMEWORK & SOUND GOVERNANCE PRACTICES

- Experienced, diverse & independent directors at group & subsidiary level
- Institutionalised governance, regulatory & risk management practices
- Conservative accounting policies (including the early adoption of IFRS 9)

WHICH TOGETHER POSITION IT FOR SUSTAINABLE HIGH-QUALITY EARNINGS GROWTH

- Active investor in & operator of credit-orientated alternative assets
 - > By identifying opportunities to leverage our high-IP & leading technologies & low-cost operational infrastructure
 - To expand into attractive adjacent market segments, related alternative asset classes & geographic markets
 - Applying expertise to assess, mitigate, underwrite & price credit risk in originating new assets or acquiring existing assets
- Unrelenting investment into & precise implementation of innovative strategic initiatives
- Track record of high-quality earnings with high cash conversion rates & strong organic growth prospects
- · Dividends growing faster than earnings

INVESTMENT CASE CONTINUED

COMPELLING & UNIQUE AS WE EXECUTE ON OUR STRATEGY



TO GENERATE RISK-ADJUSTED INTEREST RETURNS & CAPITAL APPRECIATION

- Value-led investment approach
- · Seeking investment outcome that combines:
 - > Attractive risk-adjusted interest returns from our asset portfolios
 - > Enhanced by capital appreciation in the value of the operating platforms

& THE DELIVERY
OF A MEANINGFUL
SOCIAL IMPACT

- Businesses deliberately positioned, regarding demographic & socio-economic trends, to deliver shared value, through commercial returns & meaningful positive social impact
- SA Taxi facilitates
 - Asset ownership by black owned SMEs, financial inclusion, SME empowerment, & sustainable job creation
 - > Improved public transport infrastructure
 - > Environmental sustainability
- TCRS facilitates
 - > Credit rehabilitation of over-indebted consumers
 - > Lenders to maintain cleaner balance sheets to continue extending credit affordably