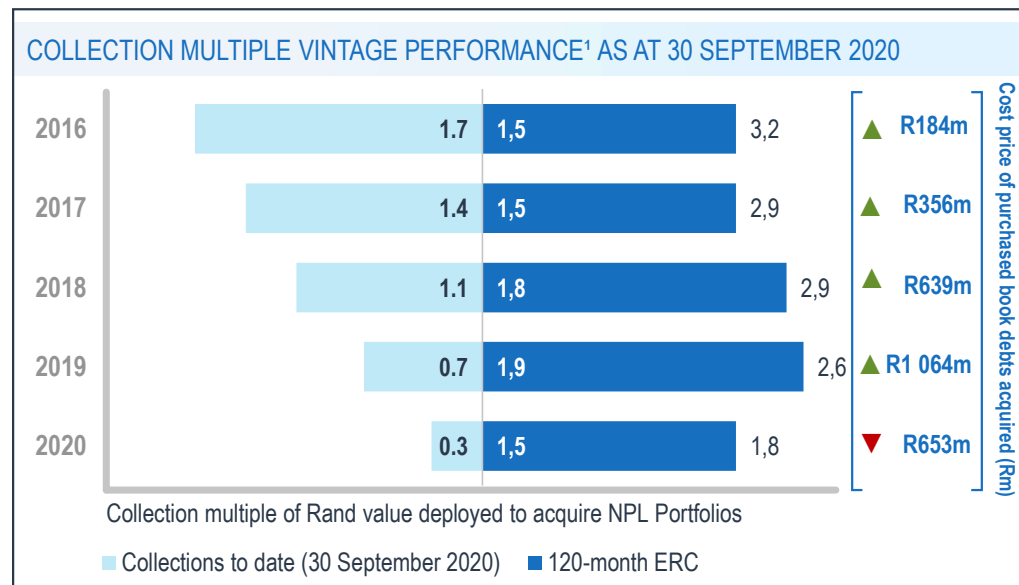
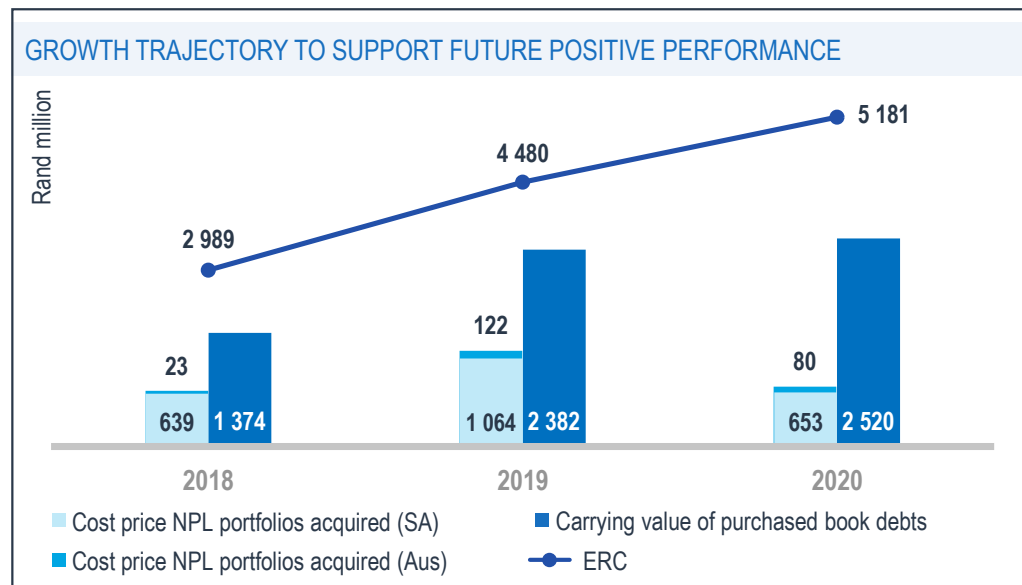


TCRS STRATEGIC GROWTH INITIATIVES TO CREATE VALUE



ACQUISITION OF NPL PORTFOLIOS AS PRINCIPAL IN SOUTH AFRICA & AUSTRALIA



- Investment into SA NPL Portfolios ▼ to **R653m** (FY19: **R1 064m**)
- Investment into Australia NPL Portfolios ▼ to **R80m** (FY19: **R122m**)
- NPL Portfolios owned have a face value of **R26.2bn**
- Carrying value of purchased book debts ▲ **6%** to **R2.5bn**
- Revenue from principal collections ▲ **23%**
 - › ~**R100m** revenue from collections on NPL Portfolios in Australia

- ERC ▲ **16%** to **R5.2bn** supporting strong annuity cash flows & predictable growth in future
 - › Average life of ERC ~**4.2 years**
 - › Future collections recovering more slowly & over a longer period
 - › ERC expected to be ~**4%** ▼ over the medium term
 - › Adjustment to carrying value of purchased book debts ▲ **270%** to **R588m** (HY20: **R161m**; FY19: **R159m**)
 - › Ensure future yields remain aligned with those achieved in the past & to protect balance sheet

**TCRS HAS ABILITY TO ADJUST PRICING METHODOLOGY TO PREVAILING ENVIRONMENT
THIS ENSURES FUTURE NPL PORTFOLIOS ARE PRICED TO ACHIEVE TARGETED RETURNS & COLLECTION MULTIPLES**

1. Includes only South African portfolios & excludes contracts where TCRS does not have title of the underlying claim